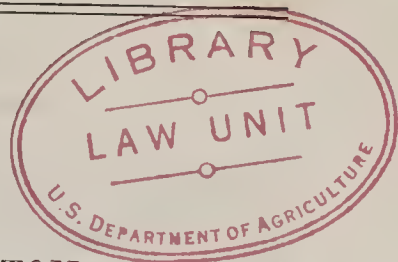


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COTTON AND RICE ACREAGE ALLOTMENT EXCHANGES



HEARING BEFORE THE SUBCOMMITTEE ON COTTON AND THE SUBCOMMITTEE ON RICE

OF THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

H.R. 679, H.R. 3215, H.R. 4364, and H.R. 4394

FEBRUARY 17, 1959

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COTTON AND RICE ACREAGE ALLOTMENT EXCHANGES

TUESDAY, FEBRUARY 17, 1959

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COTTON AND SUBCOMMITTEE
ON RICE OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittees met in joint session, pursuant to notice, at 9:30 a.m., in room 1310, New House Office Building, Hon. E. C. Gathings (chairman of the Subcommittee on Cotton) presiding.

Present: Representatives Gathings, Poage, Grant, Abernethy, Thompson, Jones, Teague of California, Pirnie, and Short.

Also present: Representatives Johnson, Smith of Mississippi, and Whitten; John Heimburger, counsel; Hyde Murray, assistant clerk; and Francis M. LeMay, consultant.

Mr. GATHINGS (presiding). The committee will come to order. We appreciate the two committees joining together. There are three bills, as I recall, H.R. 3215, by Mr. Smith of Mississippi; and one by Mr. Mills, H.R. 4394, and my own bill H.R. 4364.

There is a slight difference between the bills.

(The bills are as follows:)

[H.R. 4364, 86th Cong., 1st sess.]

A BILL To permit the exchange of cotton acreage allotment for rice acreage allotment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"EXCHANGE OF ALLOTMENTS

"SEC. 379. The Secretary shall by regulations authorize the exchange between farms in the same county, or on the same farm, cotton acreage allotment for rice acreage allotment. Any such exchange shall be made acre for acre on the basis of application filed with the county committee by the owners and operators of the farms, and such transfer of allotment shall include transfer of the related acreage history for the commodity. No farm from which the entire cotton or rice allotment has been transferred shall be eligible for an allotment of cotton or rice as a new farm within a period of five crop years after the date of such exchange. The provisions of this section shall not apply in any State or administrative area where farm rice acreage allotments are established on a producer basis."

[H.R. 3215, 86th Cong., 1st sess.]

A BILL To permit the exchange between farms in the same county of cotton acreage allotment for rice acreage allotment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended is amended by adding after section 378 the following new section:

"EXCHANGE OF ALLOTMENTS

"SEC. 379. The Secretary shall by regulations authorize the exchange between farms in the same county of cotton acreage allotment for rice acreage allotment. Any such exchange shall be made acre for acre on the basis of application filed with the county committee by the owners and operators of the farms, and the transfer of allotment between the farms shall include transfer of the related acreage history for the commodity. No farm from which the entire cotton or rice allotment has been transferred shall be eligible for an allotment of cotton or rice as a new farm within a period of five crop years after the date of such exchange. The provisions of this section shall not apply in any State or administrative area where farm rice acreage allotments are established on a producer basis."

[H.R. 4394, 86th Cong., 1st sess.]

A BILL To permit the exchange of cotton acreage allotment for rice acreage allotment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section :

"EXCHANGE OF ALLOTMENTS

"SEC. 379. The Secretary shall by regulations authorize the exchange between farms in the same county, or on the same farm, cotton acreage allotment for rice acreage allotment. Any such exchange shall be made acre for acre on the basis of application filed with the county committee by the owners and operators of the farms, and such transfer of allotment shall include transfer of the related acreage history for the commodity. No farm from which the entire cotton or rice allotment has been transferred shall be eligible for an allotment of cotton or rice as a new farm within a period of five crop years after the date of such exchange. The provisions of this section shall not apply in any State or administrative area where farm rice acreage allotments are established on a producer basis."

Mr. GATHINGS. The Smith bill just deals with the matter of two farmers inside of the county swapping allotments by consent of the county committee.

The bill of Mr. Mill's would permit a farmer on his own farm as well as with his neighbor to swap, as does my bill.

We would like to hear from Mr. Smith of Mississippi to give us his views with respect to his legislation.

We will be glad to hear from you, Mr. Smith.

STATEMENT OF HON. FRANK E. SMITH, A REPRESENTATIVE IN CONGRESS FROM THE THIRD CONGRESSIONAL DISTRICT OF THE STATE OF MISSISSIPPI

Mr. SMITH of Mississippi. Thank you, Mr. Chairman. This idea was to meet one of the problems in many of the areas where cotton and rice are grown where there are some allotments that are not sufficient for efficient production. We realize that it is impossible to get any major adjustment in the allotment, but the bill was drawn with the idea that the swapping be confined to the same county, so that there would not be any question of acreage history or anything like that being disturbed, or any change in the historical allocation of acreage to a county or otherwise.

By that course we believe that the swap will in several cases enable a farmer who has what you might call an inefficient allotment, in either rice or cotton, to make some arrangement with someone who has a situation where he can get into another commodity. The

swap would benefit both in the sense that they can more economically produce the crop in which they want to increase their allotment.

It would not affect the acreage involved. It is the type that in most cases either will be planted by the man who has the land or else will be turned into the county committee for reallocation. It won't affect the total acreage planted in the county in that crop.

It would seem to me that it would have a very good effect in the sense that it would make for more economical and efficient production by the farmers involved.

I have asked the various organizations involved with both cotton and rice production in my area to give me an estimate, for example, of how much would be involved in the way of acreage in the entire Mississippi Delta area. And I am told that, from the best estimates, there would not be more than 2,000 acres. In other words, it would be a thousand acres of cotton to swap for a thousand acres of rice in the Mississippi Delta. Of course, that would have no effect on the total production or total acreage history within the counties involved, but it would make it possible for the farmers involved to produce more efficiently and more economically in the coming years.

Therefore, it would cut the costs at a period when, as you know, our farmers are faced with the certainty of having lower prices for their products in the coming fall. I think this would fit in with the Department's goal of more economical production and certainly would fit in with our idea of protecting the farmer.

Basically, the proposed bill is very simple. It will simply swap within the county, and that is all that it does.

Mr. GATHINGS. You don't care to go from one county to another—if you had one county with more acres growing in rice than the adjoining county with more acres in the cotton crop, you would not permit the swap.

Mr. SMITH of Mississippi. That might be the situation, but I think it might involve too many questions. I don't propose to do that here. This confines the swaps within the county. It would not in any way contribute to any trend of acreage or anything like that.

Mr. GATHINGS. So that if farmer A had equipment to farm either rice or cotton, and he might have an allotment of both, and he would not utilize that equipment except for one, therefore, if he does not have enough rice to economically grow it, he would like to have more acres of rice in order to make for more economical operation.

Mr. SMITH of Mississippi. This would be a benefit to the small farmer. The large one already has allotments in both commodities that are sizable enough to make for a pretty efficient operation. If he has a neighbor who has a small rice allotment and wants to get out, it would relieve him of the necessity of buying new equipment. He would be able to swap.

Again, you might have individuals who want to specialize in one or two commodities. It makes that possible.

I think that the bill would have nothing but a favorable effect on anybody. I certainly hope that the committee will consider it and take action on it as soon as possible so that we can allow these swaps to be made before the current crop season.

Mr. POAGE. What would you think of adding peanuts as well as wheat to this on the same basis?

Mr. SMITH of Mississippi. I am not familiar with those two crops. If you can do it without any difficulty, all right.

Mr. POAGE. I think there is a lot of merit in what you are saying. So long as you require everybody to find somebody else who has another crop you don't change the totals in the county. I do not think anybody could object to it.

Let a man simply swap his peanut allotment for a cotton allotment or vice versa, which would mean an increase in one crop and a decrease in the other crop on each farm. It would not change the total.

But if you make this of more general application how would it hurt anybody? In some areas they have peanuts they might like to swap for cotton. It would not change the total acreage.

Mr. SMITH of Mississippi. In any area where it would help to increase the efficiency in the farmer's operations and at the same time not change the acreage pattern of that county, I don't see how it would offer any trouble.

I would like to have the Department's views about how it is in relation to other crops. There might be something that I don't comprehend that might offer some trouble.

Mr. GRANT. Let me make this observation here, along what Mr. Poage has said. I will have to leave in a few minutes because of a conference meeting with some Alabama people.

I do think there is a good deal of merit in the case of wheat and as well as for peanuts. I don't think there would be much swapping, but at the same time you will have the peanut growers in my section who have a small group there who cannot economically make the grade in peanuts or cotton when they are growing both. It might be helpful to them.

As Mr. Smith says, it would help. I do believe that the committee should give consideration to including peanuts, and, probably, wheat as well.

Mr. TEAGUE of California. I want to be sure that I understand this. I imagine it would work out this way, that you would not have more acreage in a given county but you would have more rice and more cotton if acreage is swapped because you have more efficient utilization of the acreage that is now allotted. Is that correct?

Mr. SMITH of Mississippi. You might theoretically have more in the sense that if I had a 100-acre allotment of cotton instead of 90 acres, I could theoretically be a little more efficient but in the main you just have more economical production.

I don't think there would be any greater, any larger production in the average farm involved because he had a little more acreage. He would be able to work more efficiently.

I didn't mean he would increase his production. I meant he would be able to better utilize the machinery and labor and so forth, and, I hope, to produce at a smaller cost per acre. It is difficult to see how it would increase the production.

Mr. TEAGUE of California. I thought it was designed to help a situation where a man has acreage that is now allotted to cotton which, perhaps, would grow rice better than the cotton; he would swap and, as the result of the swap, he would have acreage which would produce more rice and somebody else would have it to produce cotton.

Mr. SMITH of Mississippi. There is that possibility on individual farms. In most of the cases that I am thinking of they have acreage that is pretty good in both. They have acreage that is pretty well suited for that commodity, anyhow. But what they are interested in is not something to fit the acres so much, but to fit the machinery and their working force and how they like to farm. In some individual situations it could be that. I doubt, that it would in most cases however; because the people who expressed an interest in this to me talked primarily about how they would increase their economy of operation. That is a better word than efficiency actually. That is what they are interested in.

Mr. THOMPSON. In your State, as well as in ours, it would not be affected by this unless they get peanuts inserted, because our allotment runs with the farmer and not with the farm.

I understand the effect of it, cotton is not generally produced by the same man—I do not know of any case where peanuts are.

Mr. POAGE. Many have peanuts and cotton.

Mr. THOMPSON. That is correct.

I don't see any great difficulty in this about the production of any of the commodities involved. I would like to hear from the Department on this. I believe that we will.

Mr. GATHINGS. I just wondered if you had any statement that you would like to read into the record. I got a telegram yesterday from a constituent of yours. I don't know but what you have that same telegram.

Mr. SMITH of Mississippi. I will be glad to do that. I asked some of the people in the counties in my district where they grow large quantities of cotton and rice, to give me some information about the estimated acreage that would be involved. That is how I got the 2,000-acre estimate for this production. I will be glad to put that in the record.

That is my whole congressional district. I don't think anybody has any allotment that is over 100 acres in rice.

(The information is as follows:)

GREENVILLE, MISS., *February 16, 1959.*

HON. FRANK E. SMITH,
House Office Building, Washington, D.C.:

Following sent to Hon. E. C. Gathings today:

"Reference proposed amendment to permit exchange on rice and cotton acreage allotments, respectfully urge approval of this measure according to information that we have been able to develop only about 2,000 acres will be involved in Mississippi and amendment will not result in increase in plantings of either cotton or rice. Primary benefit will be to permit more efficient and economical farm operation. This is vitally important due to increasing cost price squeeze and declining farm income."

B. F. SMITH,
Executive Vice President, Delta Council.

Mr. GATHINGS. Are there any further questions of Mr. Smith? Our colleague Hon. Wilbur D. Mills, of Arkansas, has a statement on behalf of his legislation, H.R. 4394.

STATEMENT OF HON. WILBUR D. MILLS, A REPRESENTATIVE IN
CONGRESS FROM THE SECOND CONGRESSIONAL DISTRICT OF THE
STATE OF ARKANSAS

Mr. MILLS. Mr. Chairman, I appreciate the opportunity of appearing before this distinguished committee in support of H.R. 4394 to permit the exchange of cotton-acreage allotment for rice-acreage allotment and vice versa.

Simply stated, this bill will provide that two farmers living within the same county may exchange allotments for cotton or rice on an acre for acre basis.

As you know, my district is composed of a cross section of both cotton- and rice-producing areas. I have received numerous telegrams and letters as well as personal pleas from these people to advocate a program of this nature. In advocating this measure it is not without thought to the trend which has been suggested by the administration to seek to reduce the amount of Government control which is presently exercised over the farmer. This measure will allow the individual to decide if he wants to concentrate on the production of cotton or the production of rice. It will give him the freedom to utilize his farm on the most economical basis for his particular land, equipment, and finances.

At present, there are many farmers who are attempting to raise both cotton and rice on land which is far better suited from the point of view of productivity and thereby economics for only one of these crops. In other places in my district you will find farmers who do not have adequate equipment for rice production and yet are working a rice allotment which they must try to get into production to maintain their families.

Since the administration does not feel that additional aid to the farmer is the solution to the farm problem, then may I suggest that this measure although not creating additional acreage allotments will allow the farmer to decrease his production costs through being able to consolidate his farm machinery and equipment toward the production of only one basic money crop. The flexibility afforded by this program will serve to allow the individual to determine which crop he is better suited to produce, finance, harvest, and market. By reducing these production costs he will gradually be able to net more money from a lower unit cost of production resulting in a reduced selling price and come closer toward the goal of competition in the world market.

This move will also have a stabilizing influence on the entire community by generally creating a harder economy which will have the effect of slowing farm migration to urban areas by increasing rural employment and opportunities.

By being able to concentrate his acreage on one crop, thereby creating a larger acreage for the individual involved, his production will become more stable and will therefore allow the ginner and grain dryers to better forecast their requirements, improve their facilities, and offer a better, more efficient service to the producer.

Since this measure provides only for acreage swaps within each county, there is no threat of increased production since it will only affect the marginal counties that are suited to both rice and cotton.

It will, however, serve to allow farmers to operate on an economic basis which is realistic rather than an artificial one imposed by the allotment program as it now exists.

In closing, may I say that an important indirect benefit from enactment of this proposal will be that as a result of more efficient production and consequent lower prices the trend toward inflation will be slowed at least in this area. I feel that this bill will serve these purposes and I respectfully request that this Committee act favorably on it.

Mr. POAGE. Might I respond?

Mr. GATHINGS. Yes.

Mr. POAGE. It seems to me that we ought to apply this to all of the five basic crops. There are only five now because corn no longer has allotments.

I do not know anybody in the world that would want to swap a tobacco allotment for cotton or for any other acreage. But at the same time we ought to give them the privilege of doing it, if we found anybody that wanted to do it. I see no reason why we should not make it applicable to all five basic crops and let the swaps be made.

You won't get swaps made from a high-priced crop to a low-priced crop for the simple reason that the man who has the high-priced crop will not swap it off.

Mr. SHORT. Possibly in that connection as to other crops, so far as the farmers are concerned, it would seem to me that we should, perhaps, give some consideration to the possibility of this opening up under the table deals on allotments, such as, "We have got some riceland and you have some cottonland." One is just as desirable as the other. Just one individual will say, "I will for a little additional consideration do it."

If there is anything bad about that aspect of it, possibly we should go into it. Otherwise, I see nothing wrong with it.

Mr. POAGE. You mean you should not be allowed to sell allotments. There is a bill now pending authorizing the sale of allotments, a direct transfer for money. But on this thing it would seem to me it would be sort of self-policing.

I understand tobacco allotments are adding \$1,000 an acre to the value of the land. Obviously, nobody will swap tobacco for a cotton allotment.

Mr. SHORT. Unless somebody made up the difference.

If somebody gets tired of tobacco, for instance, he would do something like that. I am not offering an objection to this but offer that for consideration.

Mr. POAGE. It would seem to me that there would be such a slight movement, if any at all, that it would have to be within the county. The total acreage would be the same in both tobacco and cotton and in rice and in cotton and in peanuts and in rice, whatever it is. You would not change the total acreage. I don't see how the rest would be concerned. What difference does it make to me in Texas whether Mr. Gathings' people are shifting, that one individual goes to rice and another to cotton? The total is the same. The total remains the same when you get through with it. So what difference does it make to me as to who has that allotment?

That is the thing that appeals to me about this procedure. You cannot hurt the other fellow, and it could be of substantial assistance to a few individuals who would like to do so.

Mr. GATHINGS. Mr. Smith.

Mr. SMITH of Mississippi. In regard to Mr. Short's idea, I have talked with a number of people who would like to take advantage of this swap proposition on both sides—some who would like to swap for cotton and some who would like to swap for rice. I have had no suggestion from either type that there would be any likelihood of under-the-table sales as you point out, because, apparently, it is not considered. There are certain types of land where it might, but the farmers in my area are not considering any such thing.

As you know, under the allotments, the major item in regard to sale of land is whether the allotment goes with it. That is something that you can't do anything about. I don't think that we would open up anything here that is not already pretty closely tied in with what is already done on the land that is sold.

Mr. SHORT. My only thought was some crops are more valuable than others. There is a possibility, as you say, the land changes hands. I just threw it out for consideration.

Mr. ABERNETHY. Have you talked with the Department on this?

Mr. GATHINGS. No; we have not.

Mr. Whitten.

STATEMENT OF HON. JAMIE L. WHITTEN, A REPRESENTATIVE IN CONGRESS FROM THE SECOND CONGRESSIONAL DISTRICT OF THE STATE OF MISSISSIPPI

Mr. WHITTEN. Mr. Chairman, I enter a request for support of this bill. In my own particular district, my home county, which would be involved, would be affected only slightly. There is strong support in the area where they grow rice. And in the absence of any objection, we are in favor of it. It would not be sufficient in any case to affect the rice program whereas it would contribute greatly to improve the situation in other areas that might be affected.

Mr. ABERNETHY. How much is that?

Mr. WHITTEN. About 400 acres of rice. Not over three or four in that.

Mr. GATHINGS. I think you have in mind the overall benefit that would come from this swapping?

Mr. WHITTEN. I do. Of course, it will have a real benefit. I think it would be beneficial to the people raising rice.

Mr. POAGE. Frankly, it would seem to me a rather fair and equitable proposition that could not hurt anybody else. You would have the same amount of rice; you would have the same amount of cotton when you get through. You would have to make a trade. There are a good many people that will not trade. In some cases you won't be able to do so. You will not find somebody that will trade. You will have to find somebody that wants to trade his allotment.

I wonder if we could not extend this to the other three basic commodities under allotments. There are a good many places where you will find the same situation with peanuts and cotton, as with rice and cotton, but certainly in the North Plains of Texas and some parts of

Oklahoma you will find a good many farmers that have both cotton and wheat allotments. A man has a small wheat allotment; it does not mean anything to him. It is not sufficient to maintain a combine for it. He cannot operate it efficiently. Somebody else will have a several acre allotment of cotton. Each of them would be in a better position to operate their farm than today because the man who operates 20 acres of cotton is not getting very far either with something else.

If, on the other hand, he could operate 40 acres of cotton, he would be pretty well fixed. Cotton seems to be in a better position than wheat.

Mr. TEAGUE of California. You would be increasing both cotton and wheat production.

Mr. POAGE. I don't know that you would be increasing the surplus. You would be enabling them to produce it a little cheaper because that farm as now operated is unprofitable. A whole lot of people are farming to hold their allotments that should not be farming. This bill will produce cheaper, I think, but I don't think it will produce very much more than is produced today.

Mr. GATHINGS. It is not always the same type of land in some counties. Sometimes you have a ridge running across the county. One side might be more fertile than the other side.

Mr. POAGE. And you will find it hard to get anybody to swap.

Mr. WHITTEN. Might I state to my friend from Texas that, certainly, I realize it is hard enough to get a bill through where it does fit everything. The general theory is thoroughly sound and, in accord with what the Secretary of Agriculture is saying, that one of the problems with the farmer is that their operations are too small for economical operation. I think that is true in many areas, and this will help the farmer. It would enable many to get sufficient quantity to operate properly. On this matter I am amazed. The Secretary apparently is trying to reach it through some other means. I don't entirely agree with him. But the farmer's problem is the tremendous cost that he now puts in in cash to get a crop. And anything that will cut his operating cost down, certainly will enable him to do a better job.

And in that connection, Mr. Chairman, several of you are interested in H.R. 679, which I introduced, permitting the cotton farmers to transfer acreage; trying to meet this same problem.

All it comes back to is to permit the farmer to get together a sufficient acreage, to bring together enough, even at his own expense to have that.

(H.R. 679 is as follows:)

[H.R. 679, 86th Cong., 1st sess.].

A BILL To authorize the sale and transfer of acreage allotments and marketing quotas, and for other purposes

Whereas the removal of small farms from production in many areas has hurt business activity in local communities and will work against efforts to establish stable economic units; and

Whereas it is essential to a proper operation of the farm program and to providing a consistent supply of farm products to meet domestic demand and to protect the United States share of foreign markets that, when acreage allotments and marketing quotas are determined, such acreage be planted, therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter, notwithstanding any other provision of law, any farmer may sell and transfer, on such terms and condi-

tions as may be agreed upon by the parties, his acreage allotment and marketing quota to any other farmer for use in the county or county area where such allotment has been made.

No such contract shall be enforceable until a copy has been filed with the agricultural stabilization and conservation committee of the county in which such allotment was made, and when a copy of such contract is filed with such county committee it shall have the effect of transferring such acreage allotment and marketing quota from one farm to the other. Such sale and transfer shall not affect the acreage allotment and marketing quota of the farm or farms from which sold or the farm or farms to which sold, except during the one year in which sold. Neither shall it affect the permanent acreage allotment or marketing quota history of either farm.

Mr. GATHINGS. This Subcommittee on Cotton held a meeting last week. In order to enact that type of legislation it will take considerable time to pass that. We decided we would defer action on that and did. It would not apply to the 1959 crop year.

Mr. WHITTEN. I know. As to the gentlemen from the Department, I got their views. My purpose there was to try to get the support of the Department for it, but they gave an adverse report because it would require too much work for the Department.

Trying to meet their objections, I then reintroduced the bill saying that it was strictly between the two farmers. Then the Department came out with an adverse report on that. So there is no way—I know you are up against their opposition.

Mr. GATHINGS. We will take up the proposal that seems to meet with everyone's approval. Apparently, it would not increase the acreage of any one crop when a swap could be made between two farmers or one farmer.

Mr. WHITTEN. My purpose was to mention the principles of any farmer bringing together his acreage in an economical operation.

I thank you for the privilege of being here and supporting the bill.

Mr. GATHINGS. We do hope to take up later this legislation H.R. 679, introduced by you.

I would like at this time to put in the record some telegrams that came in from Mr. Thompson's district and he said:

Of the six parishes in my district (Seventh, Louisiana), to whom I sent telegrams, I have received six replies. They are attached.

T. A. THOMPSON.

And I would like to read one or two of them for you to get an idea of what the situation is like in the State of Louisiana:

CROWLEY, LA., February 16, 1959.

Hon. T. A. THOMPSON,
Congressman, Washington, D.C.:

In reference your wire today we do not know of any operators of rice farms that would swap rice acreage for cotton acreage. We estimate approximately 750 acres of cotton could be swapped for rice acreage, providing rice acreage were made available. In view of above from what source would rice acreage be derived if swapping is to be permitted.

PAUL P. JARDELL.

KINDER, LA., February 16, 1959.

T. A. THOMPSON,
Member of Congress,
House Office Building, Washington, D.C.:

Estimate as requested in your telegram of February 16, 1959, for Allen Parish is 350 acres.

PAUL DEL HOMME,
Manager ASC Office.

LAKE CHARLES, LA., *February 16, 1959.*

T. A. THOMPSON,
Member of Congress,
Washington, D.C.:

Re your telegram of February 16 we have 172 acres of cotton allotment which might be swapped for rice allotment. We have no rice allotment that might be swapped for cotton.

HAROLD J. ISTRE,
County Office Manager, Calcasieu Parish.

JENNINGS, LA., *February 16, 1959.*

T. A. THOMPSON,
Member of Congress,
Washington, D.C.:

Estimate 300 acres cotton allotment could be swapped for rice. No rice could be swapped for cotton.

JEFF DAVIS,
ASC, Francis Vincent Parish.

OPELOUSAS, LA., *February 16, 1959.*

HON. T. A. THOMPSON,
Member of Congress,
Washington, D.C.:

Re telegram today, estimate 300 acres.

P. J. WYBLE,
County Office Manager, ASC, St. Landry Parish.

VILLE PLATTE, LA., *February 16, 1959.*

T. A. THOMPSON,
Member of Congress,
Old House Office Building, Washington, D.C.:

Evangeline estimates 2,500 acres of cotton and 6,000 rice will be swapped under program.

A. FUSELIER,
County Office Manager, Evangeline ASC, Ville Platte, La.

Now, then, I have received from my district the following telegrams, which I will read into the record:

JONESBORO, ARK., *February 16, 1959.*

HON. E. C. TOOK GATHINGS,
Washington, D.C.:

According to records of ASC office, approximately 500 acres of rice and 900 acres of cotton could be traded and tied to farms that would quickly aid in making practical economic units of these small farm allotments.

D. B. WHITE.

OSCEOLA, ARK., *February 16, 1959.*

E. C. GATHINGS,
House of Representatives, Washington, D.C.:

Fourteen hundred in county rice allotment estimate one-third to half to be swapped.

LLOYD GODLEY.

HOLLANDALE, MISS., *February 16, 1959.*

HON. E. C. GATHINGS,
House of Representatives, Washington, D.C.:

We are very favorable to passage of legislative bill permitting exchange of rice and cotton acreage. This will not affect our surplus materially and only affect approximately 2,000 acres in Mississippi.

MISSISSIPPI DELRICE MILL, INC.

MARIANNA, ARK., *February 17, 1959.*

Hon. E. C. GATHINGS,
House of Representatives, Washington, D.C.:

Not knowing regulations, acreage transfer would be hazardous guess. However, guess would be 1,000 acres cotton and 300 acres rice at this late date. Next year would be different. Much more.

THOMAS GIST,
Chairman, Lee ASC County Committee.

MARIANNA, ARK., *February 17, 1959.*

Representative E. C. GATHINGS,
House of Representatives, Washington, D.C.:

Past underplanting history and ex-soil-bank acreage that would be practical for swapping indicate a minimum of 400 acres. Cotton for Lee County idea has support of county farm bureau, Arkansas Agricultural Council, Rotary, Lions, and chamber of commerce.

LON MANN.

AUGUSTA, ARK., *February 17, 1959.*

Congressman E. C. GATHINGS,
House Office Building, Washington, D.C.:

Woodruff County Farm Bureau supports proposal to exchange cotton allotted acres for rice acres or vice versa.

SAM L. TAGGART, *President.*

TRUMANN, ARK., *February 17, 1959.*

Congressman E. C. GATHINGS,
Washington, D.C.:

Re telegram: Yesterday, Poinsett County allotted 80,000 acres cotton, 36,000 rice. Estimate 10 percent would be swapped, depending on weather.

R. H. TAYLOR.

Mr. GATHINGS. Any further questions before we proceed with any other witnesses or with the Department? We would like to hear from the Department officials at this time.

Mr. PIRNIE. As I have understood the comments there has not been any anticipation that a substantial number of the acres which will be swapped are of a type that are not used for any purpose now?

Mr. GATHINGS. Ordinarily, in cotton there is about anywhere from 4 percent on up not to exceed 10 percent of the allotments unplanted inside of the county. Some acreage was placed in the soil bank in the last few years.

They didn't raise anything. Those folks in some instances have moved to town and they may not want to farm. They may not have the equipment to farm that land.

Mr. POAGE. I might say further that in both cotton and rice, or any commodity crop for that matter, there are always some who do not get the crop planted for some reason or another—and if you don't get it planted you may be too late.

Unless they plant their allotment, they lose their allotment and the result is that most of the land in both cotton and rice and other allotted crops is always planted. I don't mean every acre of it is planted but perhaps 4 to 10 percent is not.

Mr. WHITTEN. That is particularly true in the country where they are growing rice. Unplanted cotton acreage is not in the section where they have rice.

Mr. POAGE. That is right.

Mr. SMITH of Mississippi. I would like to point out to Mr. Pirnie, that all of this acreage might not be farmed, and, if for any individual reason whatsoever, it is not, in my particular part of the country it is turned back to the county committee, for reallocation. We have a provision under the law for that. I have counted to make sure that no acreage is left unfarmed where it would be a loss to the county history. Thus if a man has some acres he is not going to farm, he will turn it into the county for reallocation because the county is too much interested in keeping those allocations.

The underplantings Mr. Gathings has mentioned, where it averages from 4 to 10 percent, is not a result of people not planting; it is the result of something that happened at the time of planting where it would be too late to make changes, where some got lost through weather conditions or something like that.

Mr. POAGE. Probably you mean where rain crushes it down. That depends on the type of soil you have. If you have loose enough soil you are probably all right. You probably in the delta area do not suffer from that. We have land that will crust immediately and, if that crust occurs, you just lose the planting.

Mr. PIRNIE. Thank you.

Mr. GATHINGS. I wonder who from the Department would like to give us their views with respect to this type of legislation.

STATEMENTS OF JOSEPH A. MOSS, COTTON DIVISION, CSS; J. ALTON SATTERFIELD, GRAIN DIVISION, CSS; EDWIN F. ROLLINS, GRAIN DIVISION, CSS, U.S. DEPARTMENT OF AGRICULTURE

Mr. MOSS. I believe you know the Department has been requested to report on Mr. Smith's bill and no position has been taken on it yet. It should be within the next week or two, I suppose, that the views of the Department will be firmed up and the committee here will be given a report.

Mr. ABERNETHY. Mr. Moss, the Department received a request for a report on this bill early in January.

Mr. MOSS. On Mr. Smith's bill, it was introduced January 22.

Mr. ABERNETHY. Do you know whether or not a request has gone over?

Mr. MOSS. It has been received and it is being worked on now.

Mr. ABERNETHY. I thought I understood you to say that the Department had not been requested to make a report on it.

Mr. MOSS. No; I am sorry. The request is over there now.

Mr. ABERNETHY. But you are not ready to report?

Mr. MOSS. Not yet, no sir.

Mr. ABERNETHY. When do you anticipate you will be?

Mr. MOSS. I know it is being worked on. I would say within 2 weeks the report should be out.

Mr. ABERNETHY. I do not believe they are ready to testify at all.

Mr. MOSS. Our understanding was that we would come over not to discuss the Department's position on these bills but to answer questions and give any assistance we could on them.

Mr. POAGE. I think we gain a good deal by these questions. You have heard all of this discussion this morning. Do you feel there are any difficulties in doing this?

Mr. Moss. Certainly, Mr. Poage, one question that the Department will have is whether, as good as this may appear for cotton and rice, it would lead to a request from the field that it be extended to the other commodities.

Mr. POAGE. That is right—the point is——

Mr. Moss. That is what we see.

Mr. POAGE. What difficulty is there with that?

Mr. Moss. We have not discussed it. Mr. Satterfield and Mr. Rollins did not know until 9 o'clock this morning that they were coming over here. But sitting here and listening to the discussion, I have one question on wheat allotments, for example.

As you know, wheat allotments are established in the summer, and very soon now the Department will start working on establishing allotments for the 1960 crop of wheat. And the allotment notices will go out to farmers, I suppose, in June. And then they will have their referendum within a few weeks after that. That is for the 1960 crop.

And in the winter-wheat area those allotments will not be planted until this fall.

Cotton allotments will not be established until the latter part of November, and we won't know until the referendum is held, which is usually held early in December, whether we will have cotton allotments in effect.

Just sitting here and listening to the discussion, it seems to me that there would be a problem on exchanging wheat for cotton, except in a case where a farmer, due to some weather conditions, could not plant his wheat in the fall and somehow he found another farmer who would be willing to swap cotton for that wheat allotment so that he could in effect switch from wheat to cotton the following spring. Is that clear?

Mr. POAGE. I think it might very well mean that if the man made a trade, he would trade right now. And if I had cotton and Mr. Gathings had wheat, I would get to plant my cotton before he would get to plant his wheat because he would not get to plant the wheat until this fall, of course. But I would get to plant my cotton next month in my section.

Mr. Moss. That is true of the 1959 cotton allotments, but the 1959 wheat crop is in the ground now.

Mr. POAGE. What you are driving at is that he does not know what his wheat allotment is going to be.

Mr. Moss. Mr. Satterfield is here from the Grain Division. He may have some thoughts on the wheat angle of it.

Mr. SATTERFIELD. Well, the thing that disturbs me on this is that if you make it applicable across the board to all commodities, you are getting into exchanging a low valued commodity, that is, from the standpoint of production, for a high valued commodity and the pressure will be to exchange not one acre for one, but three acres for one.

Mr. POAGE. It can't change the acreage.

Mr. SATTERFIELD. It will build up pressure for changing the average if you permit it to apply across the board for exchanging the allotment of any commodity.

Mr. POAGE. I think, of course, that is going to happen. I think that has already happened in the Whitten bill. The Whitten bill

was before you last year and is before you this year. It allows the sale of allotments. This strictly provides that it is to be on an acre-for-acre basic trade. But the Whitten bill provides specifically exactly for what you are talking about. And I understand that you may object to the Whitten bill. But this does not do that.

Mr. SATTERFIELD. If it was confined strictly to cotton and rice, which are two commodities where the cost of production and the return per acre is about equal, then I would not think you would encounter any particular difficulty.

Mr. POAGE. I also understood that tobacco was higher priced than cotton. It yields three and four times as much per acre as for cotton. But the costs are much greater. Your costs are much greater on tobacco but your return per acre is far greater than on cotton. Cotton will make a better return than wheat. It costs you three times as much to produce or maybe more than that, but your return is going to be greater on your cotton. It will depend on what his costs of production are going to be. I am not saying that the wheat acres up in northwest Texas would trade cotton acres strictly from the standpoint of keeping the costs down.

Mr. SATTERFIELD. That is true.

Mr. POAGE. Of course, I know I can get a bigger production off of cotton acres, but my net profits may be just as good on wheat.

Mr. SATTERFIELD. That is what I was driving at when I mentioned both the cost of production and return. It is actually the net profit per acre that influences the producers course of operation.

Mr. POAGE. The biggest difference between my net profit on wheat today, I think it generally is, in that transitional period depends largely upon how large an acreage of wheat I have. Because if I have enough acreage of wheat to justify the machinery I know I can produce a good deal cheaper than I can if I have only a small acreage of wheat as I do today.

Isn't it greatly advantageous to us to group these things to where we can cut these overheads?

All of the talk we have had has been that we ought to try to cut the costs, be more efficient. And every time we come up to suggest something along that line, it is vetoed.

Mr. SATTERFIELD. I think that is true. But yet when you try to apply this thing across the board by taking in all commodities, I think——

Mr. POAGE. Only five.

Mr. SATTERFIELD. I mean the five allotment commodities, that is what I meant, then you are completely losing sight of the production adjustment concept which is to bring supplies in line with demand.

Mr. POAGE. Why are you?

Mr. SATTERFIELD. Because you are going to have a particular commodity produced in a greater amount than you start out to have produced.

Mr. POAGE. I want to increase my wheat allotment by 30 or 40 acres. I cannot do that unless I find some wheat man who wants to grow cotton. That is the saving grace of this thing. I have all of the desire, I want to swap for something else, but unless I can find somebody on the other side I cannot trade. It is just like the futures market. You cannot have any more purchasers than you have sellers. They have to balance.

Mr. SATTERFIELD. That is true. But what actually happens is that the person who will want to trade wheat for cotton or rice for cotton is going to try and get the commodity which he can produce most efficiently.

Mr. POAGE. That is correct.

Mr. SATTERFIELD. He will produce more of it. The man who is trading the other way, is trying to get the commodity that he can produce most efficiently.

Mr. POAGE. There will be some slight increase in production, I feel. In the first place, the acreage involved, of course, is going to be quite small.

Mr. SATTERFIELD. If it were confined to a very small acreage, I would agree.

Mr. POAGE. In the next place, the production on that small acreage will be infinitesimal. Even though today some of us are growing wheat in small amounts that are probably unprofitable, we always expect that good year to come. So we stay with it to keep our allotment going. Our costs are the same as if we were growing three times as much. Our acre yield has gone down but our costs per bushel has gone way up. All we are trying to do in this bill is to cut that cost per bushel.

You could not possibly get more than a fantastically small increase in total production. And if you give these people a chance to produce a little more efficiently, that is exactly what they all say they want, are we going to pick up the technicality to prevent what we know will result in efficiency or are we going to have that efficiency?

Mr. SATTERFIELD. Mr. Moss has pointed out that we don't know what the Department's policy is going to be on this. I was only following through on what the committee had been discussing.

Mr. POAGE. I started to ask Mr. Moss if he saw any mechanical difficulties that would make it difficult for the Department to do this.

Do you see any difficulty in that?

Mr. SATTERFIELD. I do not if it is confined to the commodities mentioned in the bill, cotton and rice.

Mr. POAGE. Do you see any in connection with peanuts for cotton?

Mr. SATTERFIELD. I do not know. You can get involved in quite a task by trying to keep—

Mr. POAGE. What sort of a task are you getting into?

Mr. SATTERFIELD. Under our allotment programs we have to determine whether the producer has planted within his farm allotment. We have to check performance with respect to each allotment crop and maintain a record of the planted and diverted acreage of each such crop.

Mr. POAGE. That is right and the bill provides that if I have 5 acres of cotton, and I sold them to Congressman Gathings, all in the world that you have to do is to put down 15 and give me 20. I do not think that will present any insuperable task on you. You would not have to have an IBM to do it.

Mr. SATTERFIELD. You have to maintain, of course, Congressman Poage, a historical record of what has happened on the farm. This year the producer will probably want to go one way; the next year he will want to go in another direction. His historical acreage of such crops is used in determining the allotment for the farm. This can create numerous administrative problems.

Mr. POAGE. That depends on what you base that on. The reason I want to see this thing is to utilize my machinery to the best advantage.

Mr. SATTERFIELD. We realize that.

Mr. POAGE. I don't change that machinery every year. I don't believe any other farmer does. I don't believe there is any basis for the statement that the farmer wants to go one way one year and the other year the other way.

Mr. SATTERFIELD. If the legislation is made applicable across the board on all allotment commodities you would probably encounter a lot of it. If it is confined to rice and cotton, I do not visualize any particular administrative problems in handling it. I do not think there would be very many farms involved.

Mr. POAGE. Do you see any greater problems if you include peanuts, except as to the number of farms?

Mr. SATTERFIELD. I don't know what the peanut producers would want to do or what other crops they grow other than probably cotton in Texas, for instance.

Mr. POAGE. I recognize that. But you do not grow wheat on the peanut type of land.

Mr. PIRNIE. My question is about the mechanics. As to the procedure now, I understand that within the county the individual farm has the allotment for a certain type of product? The record shows that. If the allotment were transferred the change would be noted on that record. Could that not be done very simply?

Mr. SATTERFIELD. Yes.

Mr. PIRNIE. As to the mechanics of it, so it would not be necessary to keep any separate record.

Mr. SATTERFIELD. You mean a separate record with respect to the transfer?

Mr. PIRNIE. That is right; because the allotment would still remain the same within the county, would it not, as to any one product?

Mr. SATTERFIELD. Well, now, under H.R. 3215 I believe that is true, but I don't believe that is true under H.R. 4364 or H.R. 4394 where it would permit the exchange on the same farm of one commodity for another.

For example, suppose all of the producers in the county that had cotton wanted to produce rice, certainly you would get a greater rice acreage planted than the county allotment.

Mr. THOMPSON. Don't they have to trade?

Mr. SATTERFIELD. He is trading cotton for rice. He will have a larger rice acreage to harvest than the county allotment.

Mr. THOMPSON. Somebody else has that acreage.

Mr. SATTERFIELD. He is trading with himself. He has both cotton and rice.

Mr. POAGE. I recognize what may be an unwise provision in the Mills and Gathings bills. I talked to the chairman about it. I recognized that is what they propose. That would allow me if I had both wheat and cotton allotments and I thought I could make more out of cotton, I could just drop the other. That is not in the Smith bill. The Smith bill requires absolute balance. The Smith bill requires that you keep the same balance between the crops. The Smith bill does not allow you to build up the more desirable crop except that it allows one individual to increase his allotments of the one

crop and another individual to increase his by exactly the same number. That is a desirable provision. I would certainly like to add that provision to the Gathings bill. I could see that the other would cause trouble. This is what we are discussing, the Smith bill.

I am asking how the Smith bill would impose any unreasonable burden on you even if it were applied to all controlled crops.

Mr. SATTERFIELD. I really don't know just how this would work. I haven't thought of it in terms of spreading it across the board to all allotment commodities, or as to what our administrative problems would likely be.

Mr. POAGE. I certainly would not stand in the way of the cotton and rice people making a change if it would permit them to get what they want.

Do you see anything wrong with it just as to cotton and rice?

Mr. SATTERFIELD. I would like to ask Mr. Moss, in our discussion here, what he thinks about it.

Mr. Moss. I believe we started with what I think would be one point that the Department would be interested in: That is, whether if you pass the legislation for cotton and rice, whether there would be this demand to have it apply to all of the commodities.

Mr. POAGE. Just confine it to rice and cotton. The other people are going to see it and try to enjoy the same kind of program if it works out well for cotton and rice. I believe you would agree to that.

Mr. Moss. The only two points that come to my mind on a bill applying to all commodities is the one that we discussed a while ago on the problem where the allotments are set at different times of the year and planted at different times of the year.

Mr. POAGE. That does not pose any problem to you, though, does it?

Mr. Moss. Yes; I think it would.

Mr. POAGE. How?

Mr. Moss. Well, we contemplate that under any of these bills that you would want the approval of the transfer to be made by the county committee within certain prescribed time limits, so that it would all be accomplished before planting time, for example.

Mr. POAGE. I am not sure just what the Smith bill requires.

Mr. Moss. I cannot see how if the bill were applicable to all commodities; I cannot see, I repeat, how a farmer who receives a wheat allotment in June, which would be for the 1960 crop, could make any kind of trade that the county committee could approve for cotton allotments for the 1960 crop because the cotton allotment would not be established until 4 or 5 months after that.

I will admit that we haven't had time to think through that one and discuss it. But, offhand, the difference in the time the allotments are set and the different planting times for those two crops would enter into it.

Wheat is the one—

Mr. POAGE. Wheat would be the only commodity about which you might have some question.

Mr. Moss. That is right. The other objection that might be made is the one that Mr. Short brought up here, that if you permitted peanuts or cotton allotments to be exchanged for tobacco, it would be difficult to prevent this swapping of acre for acre with some side agreement on what money would be involved in exchange. I am not pass-

ing judgment on whether that would be bad or not, but I think there would be some people who would not like to see it.

Mr. SHORT. Mr. Chairman, what happens to the history? Should we fit it in?

Mr. MOSS. The bill provides for that.

Mr. SHORT. Excuse me. It does?

Mr. MOSS. Yes, sir. The bill says that any such exchange shall be made on the basis of application filed with the county committee, and the transfer of allotment between the farms shall include transfer of the related acreage history for the commodity.

Mr. SHORT. Thank you.

Mr. MOSS. There is one other question that I might mention here, and that is, the way the bill is drafted it seems clear to us that once the exchange is made and history would go along with it, that it would be a permanent exchange.

Mr. GATHINGS. That is right.

Mr. MOSS. However, it just occurred to me this morning that under this language there is no prohibition against the farmers who swapped, say, for 1960 coming right back 2 years later and swapping back the other way. I am not saying that is bad. Maybe it would actually be a good thing.

Mr. GATHINGS. He might have bought a combine in the meantime.

Mr. MOSS. That is right.

Mr. GATHINGS. And he may then want to go to the county committee and make another arrangement for the next year.

Mr. MOSS. That is right.

Mr. GATHINGS. It would not involve too much of an administrative problem; would it?

Mr. MOSS. Not too much. We might work out some system of exchanging back and forth.

Mr. GATHINGS. That could be done, but it probably would be in the great minority of the cases.

Mr. MOSS. Yes.

Mr. TEAGUE of California. He has something to add.

Mr. MOSS. One other point we were wondering about was whether it was your thinking that this might possibly apply to 1959 allotments, that is, go into effect this year.

Mr. GATHINGS. The purpose of this meeting is to determine that, because we have to move and move fast. These wires are coming in from all over the areas that are sponsoring this type of legislation, and they want to know the answer.

We appreciate your coming up here and giving us the benefit of your views and observations.

Mr. TEAGUE of California. I do have one question to put to you gentlemen—anyone who would like to answer it. I don't have any rice in my district. I don't know much about rice or the growing of rice. Maybe you gentlemen could tell me, If you were a ricegrower along the Sacramento River in California, would you think this is desirable legislation?

Mr. SATTERFIELD. It would not apply in California because allotments there are determined on a producer basis, instead of on a farm basis.

Mr. TEAGUE of California. I understand that. But this is back in my mind. This would seem to work out in producing considerably more rice than was produced before.

Mr. SATTERFIELD. That is true because if this was made applicable to the other commodities, there would probably be a considerable amount of wheat acreage in the Sacramento Valley that would be exchanged for rice. There is no cotton in the Sacramento Valley. It is only in the lower end of the San Joaquin Valley where you have cotton and rice, and a very small area.

Mr. TEAGUE of California. I imagine those people along the Sacramento would not think it was a good idea to produce substantially more rice. I am asking the question. I do not know the answer to it.

Mr. SMITH of Mississippi. The American Rice Producers Association, which represents the areas in California where some of the rice is grown under allotments to the individual, just on the basis that they have some producers in Louisiana that would like to swap—they are for it. That shows they don't fear anybody will increase the rice production.

Mr. TEAGUE of California. Would they not possibly get more rice production?

Mr. SMITH of Mississippi. In the sense that they would be swapping by taking out cotton to get it. In that county, the bill would end up with the same acreage in both commodities.

Mr. GATHINGS. May I say that if you had a county rice sheet before you and one for cotton, you would find on there quite a number of small 10- and 11- and 21-acre allotments to individual farmers on that sheet. Well now, you cannot operate well on any 21 acres or 6- or 7-acre allotments. So many of those small allotments could be swapped for cotton. They could grow cotton, and you take them out of rice and put them in cotton.

Mr. TEAGUE of California. I understand that. I am just trying to get it through my head. I don't know anything about the rice industry. But it seems to me that if I were a ricegrower, along the Sacramento River, not in my district, I would not want more rice.

Mr. GATHINGS. It may not be produced. It may reduce it. It would not increase it. It would not reduce it. It would more or less balance.

Mr. TEAGUE of California. I have no personal firm objection to the legislation. I am merely trying to explore who might object to it.

Mr. THOMPSON. California and Texas are the only two States, except for a small area in Louisiana, which now have the right to grow on a producer basis. We certainly have no objection, of course, to any other States that want to try this. If they want to try it, it is all right with us. That is the only light I have on it. They are pretty careful farmers, and they probably have looked into the ultimate results and have concluded that it will not shift production very far one way or the other.

Mr. TEAGUE of California. I have no one in my district. I am just trying to find out. I have no preference one way or the other.

Mr. GATHINGS. They are producers.

Mr. THOMPSON. They don't produce rice and cotton.

Mr. SMITH of Mississippi. That is right.

Mr. TEAGUE of California. There may be some areas in the San Joaquin Valley where they do.

Mr. SATTERFIELD. That is true.

Mr. Chairman, may I speak off the record? I am not clear about one thing on that.

Mr. GATHINGS. Yes.

(Discussion off the record.)

Mr. GATHINGS. Are there any further questions at the moment?

Before we proceed further if we confine this to the Smith proposal, that would minimize the objections, if any, that the Department may have, would it not?

Mr. Moss. Certainly it would be better, I think, than an overall bill, that is, one applying to all commodities.

Mr. GATHINGS. Mr. Poage said if it was good for the rice and cotton farmers that it ought to be good for the peanut and the wheat farmers.

Mr. Moss. Mr. Chairman, could we say one more word about this question of whether the bill would apply to the 1959 crops?

Mr. GATHINGS. Yes; let us stick to that.

Mr. Moss. We know that at the present time cotton farmers who do not intend to use their allotments this year are releasing those back to the county committee. That is going on daily.

Mr. GATHINGS. Yes.

Mr. Moss. I don't know just what the picture will be if you act here and, of course, word gets out that the Congress may authorize exchanging cotton for rice. I don't know how many counties would be affected. To the extent that farmers in those counties have already released their cotton allotments and they have been given to somebody else, we will certainly have a problem on that.

Mr. SATTERFIELD. I might say this—

Mr. GATHINGS. That might present a problem. You can still operate under the legislation.

Mr. Moss. We could operate for those who have not already released.

Mr. GATHINGS. This would not in any way repeal the release and reapportionment provisions of the law.

Mr. Moss. It would not. The provisions would not be available this year to the farmer who has already released the acreage that he has decided not to plant to cotton.

Mr. GATHINGS. That could be. He would not have done it except he wanted to.

Mr. SATTERFIELD. I wanted to say this, the provision of this bill would be applicable principally in the delta areas of Arkansas, Mississippi, and Missouri. I believe all of the delta area of Louisiana would have rice allotments established on a producer basis.

Mr. GATHINGS. Yes.

Mr. SATTERFIELD. It would be confined primarily to that area. I doubt if there would be any demand for exchange of cotton for rice outside the delta areas of Arkansas, Mississippi, and Missouri.

Mr. GATHINGS. And maybe some in Louisiana.

Mr. SATTERFIELD. I doubt whether there would be many in Louisiana. Possibly some few along the northern edge of the main belt, the fringe counties. But primarily that is all rice and no cotton.

Mr. GATHINGS. There is not a great deal outside of three or four States covered by this legislation. It would not affect too many farmers.

Mr. SATTERFIELD. That is right.

Mr. GATHINGS. I would like to ask the gentleman from Missouri, whether or not he has any information from his district on this.

Mr. JONES. We only grow rice in five counties. We do not have allotments. There is no particular interest in those counties. In fact, it only applies to two of them. I doubt if there would be over 100 acres involved in it one way or the other.

In one county the cotton farmers were interested in trading for some rice. There are no rice farmers in trading for cotton. In one county there is probably 50 acres that might be exchanged. I did not hear from the other counties.

Mr. THOMPSON. Certainly no objection.

Mr. JONES. There would be no objection to it. I could see just from the operation in that area that some people are trying to produce rice on a basis that makes it possible where they can trade cotton to someone else for rice, and they could probably get together that way and make a profitable operation. I do not think it would increase production but it might enable some fellow to make a profit out of it, that was on the borderline now. It is not a big thing down there.

Mr. GATHINGS. Since the soil bank folds up in 1959 and these areas are interested in this type of legislation, it is a matter of efficient farm operation; and if they could have a little flexibility or leeway in it, it would help.

Mr. Moss, what has been the situation in regard to these releases of this acreage where it has been occurring?

Mr. Moss. I assume it is occurring pretty much all over the belt, Mr. Chairman. We talked to the State office in Mississippi the other day and they indicated that they were getting quite a bit of released acreage. I am not sure that would be true over in Mr. Smith's district. I would assume that it would be over in the hill area of the State.

Mr. GATHINGS. The hill area does not grow rice.

Mr. Moss. That is right.

Mr. GATHINGS. Where else now? Do you have a great deal of folks who walked into the country office and said, "I want to release it"?

Mr. Moss. No, sir. I think where rice is produced there will be less release and reapportionment than in your other areas.

Mr. GATHINGS. So it would not be at all difficult on the part of the Department to handle it if you had the authority.

Mr. Moss. Certainly not as difficult with rice as it might be if you authorize the exchange of cotton and peanuts, say.

Mr. GATHINGS. I didn't quite catch that.

Mr. Moss. From the standpoint of the problem in connection with release and reapportionment, I would say there is less problem with a bill dealing with cotton and rice than there would be if it were cotton and peanuts. Many more counties would be involved with the latter.

Mr. GATHINGS. In view of the fact that there are very few areas in the Nation that had indicated interest in this type of thing, don't you think it would be well if we could consider it?

Mr. Moss. Personally, I would think that the Smith bill would be preferable to the other bills or to a bill covering all commodities; yes, sir.

Mr. GATHINGS. I know something about cotton. I do not know too much about wheat. The full committee would have to pass on a proposition of that kind.

We have the chairman of the Rice Subcommittee present. I do not know whether he would be interested in extending this legislation over to cover other crops.

Mr. THOMPSON. At first, I thought it might be a good idea, but as we go further into it, I think it might be well to report out the Smith bill and try it first and if it works, then the other commodities could come to us with their proposition. I think it would be less complicated and a whole lot easier to pass the legislation if only these two commodities were involved. In another year, if it works well, it will be comparatively simple to come along with a bill taking in other commodities.

That is the way it looks to me as a practical, everyday matter.

Mr. GATHINGS. Mr. Poage thought that if it were good for two, it ought to be good for five.

Mr. THOMPSON. The more we talk about it, the more I think we better stick to the simple legislative matter rather than complicate it.

Mr. SHORT. It seems to me in thinking on an across-the-board measure for all commodities, you have to give a pretty long look at what happens to wheat, because the wheat-production area is large and there are no other crops under acreage allotment. There will be no possibility of trading this for other commodities. It seems to me that it must be treated necessarily having in mind the 15-acre-exemption allotment in connection with what I spoke of as to what the allotment would be, would it not?

Mr. SATTERFIELD. Yes; I think so.

Mr. GATHINGS. Who is the other gentleman?

Mr. ROLLINS. I am Mr. Rollins.

Mr. GATHINGS. Do you have any comments?

Mr. ROLLINS. I might say, Mr. Chairman, unofficially with respect to the bills which have been under discussion that it appears to me that basically the Smith bill is the same as the release and reapportionment provision that are now applicable to cotton, peanuts, and rice, with these basic differences: that this would permit a transfer or a release of one commodity for the reapportionment of another, and that it would permit a prearrangement between the two producers that are involved and that this is a permanent transaction rather than an annual transaction as is the case with the release and reapportionment, and fourth, that this is not applicable in producer rice States or producer administrative areas, whereas the release and reapportionment provisions as now applicable to rice do apply in those areas.

So other than what has already been said with respect to the mechanics, the application of it only, without regard to any policy whatsoever, it seems that it would be most difficult to include wheat, in my opinion, even though peanuts might be included.

And I think this gentleman, Mr. Short, I believe, mentioned that particularly in the case of the 15-acre provision, as I understand it, the farmer who now has a 10-acre wheat allotment, for example,

can plant 15 acres without regard to the allotment except for price-support purposes, might be perfectly willing to trade his 10 acres of wheat in order to get 10 acres of cotton, and that definitely does complicate it, as I see it.

Furthermore, as Mr. Moss and Mr. Satterfield have already said, because of the timeliness of the planting, wheat would seem to complicate the picture considerably.

And then, lastly, the release date at the present time, the administrative release date for releasing rice-acreage allotments, for example, in Arkansas, is May 1, which has been set by the State committee and has been published in the Secretary's regulations. The reapportionment date is May 8. That would mean that any acreage of rice, for example, which has been released, as of the present time, and, of course, prior to the May 1 date—I can't quite get it through my mind as to how that would work in the case of a man who comes in, should this legislation be enacted, if he wanted to revoke his prior release in order to trade it for cotton. I mean, it would complicate it to that extent.

Mr. GATHINGS. That could happen but it would be remote, don't you think?

Mr. ROLLINS. Of course.

Mr. GATHINGS. It would be remote, would it not?

Mr. ROLLINS. It is impossible to determine the degree that that would apply, yes. There would be some producers affected, I am sure, but there is no way of determining how many and we have no idea at the moment how many have already released rice acreage, for example, as of today.

Mr. GATHINGS. You run into administrative difficulties all of the time. A year ago a farmer went into the program and the rate was increased this year. The neighbor across the road, across the highway, got a lower rate and he doesn't like it at all. He signed up just a little early.

You do run into a lot of those questions, there is no doubt about it, and we appreciate your giving us this information.

Mr. ROLLINS. I am not speaking officially. Particularly, I would like to reemphasize in the case of peanuts or wheat, my responsibility is primarily with rice. So that would be all of the comment I would have to make on it, I believe.

Mr. THOMPSON. A parliamentary inquiry—I take it we are about through with our testimony now. What is the next step? Will the Cotton Subcommittee report it out with the Rice Subcommittee or what?

(Discussion off the record.)

Mr. GATHINGS. Let us make it 2 o'clock Friday afternoon.

Thank you, gentlemen.

(Thereupon, at 11:25 a.m., the subcommittees recessed to reconvene at 2 p.m. February 20, 1959.)

ACREAGE ALLOTMENTS FOR SALE OR LEASE



HEARING BEFORE THE SUBCOMMITTEE ON COTTON OF THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

H.R. 308, H.R. 679, H.R. 1811, H.R. 1854,
H.R. 2253, H.R. 2428, H.R. 3031, H.R. 3628,
H.R. 3903, H.R. 3971, and H.R. 4859

FEBRUARY 26, 1959

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ACREAGE ALLOTMENTS FOR SALE OR LEASE

THURSDAY, FEBRUARY 26, 1959

HOUSE OF REPRESENTATIVES
COMMODITY SUBCOMMITTEE ON COTTON
OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 1302, New House Office Building, Hon. E. C. Gathings (chairman of the subcommittee) presiding.

Present: Representatives Gathings, Poage, Abernethy, Hagen, Grant, and Teague of California.

Also present: Representatives Cooley, Matthews, and Jones of Missouri.

Mr. GATHINGS. The committee will come to order.

It is a real pleasure to have with us today the Alabama group. We are pleased to have the opportunity of hearing testimony with regard to the matter of leasing cotton allotments, or the sale of cotton allotments.

(H.R. 1811, H.R. 308, H.R. 1854, H.R. 2253, H.R. 2428, H.R. 3628, H.R. 679, H.R. 3031, and H.R. 4859 are as follows:)

[H.R. 1811, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938, as amended, to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of said lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dryland farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of all allotted commodities on a farm to more than 75 per centum of the cropland on such farm."

[H.R. 308, 86th Cong., 1st sess.]

A BILL To authorize the sale and permanent transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is further amended by adding thereto the following new section:

"SEC. 379. Notwithstanding any other provision of this Act, the owner and operator of a farm for which a farm acreage allotment is established under this Act may transfer all or part of such allotment to the owner or operator of another farm in the same State: *Provided*, That such allotment has not been transferred pursuant to this section within the two immediately preceding crop years: *Provided further*, That the farm allotment and acreage history to be transferred to a farm shall be adjusted to reflect the normal yield per acre for such farm and for the farm from which the transfer is made: *And provided further*, That no allotment may be transferred to a farm in another county unless the producers of the affected commodity in the county from which the transfer is being made have voted in a referendum within three years of the date of such transfer, by a two-thirds majority of the producers participating in such referendum, to permit sales of allotments to farms outside the county. An authorization of transfer signed by both the grantor and grantee shall be filed with each county committee concerned and thereupon the farm acreage history (all or a proportionate part, as the case may be) shall also be transferred to the farm to which the allotment is transferred and added to the acreage history for the commodity for such farm and for the county, where applicable. The land in the farm from which the entire allotment and acreage history have been so transferred shall not be eligible for a new farm acreage allotment during the five years following the year in which such transfer is made. The total farm acreage allotment for the affected commodity for any farm to which allotment for such commodity is transferred shall not exceed 150 per centum of the average size of the acreage allotment for such commodity in the State or the following acreage: Cotton, fifty acres; peanuts, thirty acres; tobacco, ten acres; rice and wheat, sixty acres, whichever is greater. The Secretary shall prescribe such regulations as he deems necessary to assure the orderly administration of this section."

[H.R. 1854, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938 to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of such lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dry land farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm: *Provided*, That the acreage so leased and transferred shall not operate to continue the farm's status as an 'old farm'.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of the commodity on a farm to more than 60 per centum of the cropland on such farm."

[H.R. 2253, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938, as amended, to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of said lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dry land farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of all allotted commodities on a farm to more than 75 per centum of the cropland on such farm."

[H.R. 2428, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938, as amended, to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of said lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dryland farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of all allotted commodities on a farm to more than 60 per centum of the cropland on such farm."

[H.R. 3628, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938, as amended, to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of said lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated

farm as compared with a dryland farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of all allotted commodities on a farm to more than 75 per centum of the cropland on such farm."

[H.R. 679, 86th Cong., 1st sess.]

A BILL To authorize the sale and transfer of acreage allotments and marketing quotas, and for other purposes

Whereas the removal of small farms from production in many areas has hurt business activity in local communities and will work against efforts to establish stable economic units; and

Whereas it is essential to a proper operation of the farm program and to providing a consistent supply of farm products to meet domestic demand and to protect the United States share of foreign markets that, when acreage allotments and marketing quotas are determined, such acreage be planted, therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter, notwithstanding any other provision of law, any farmer may sell and transfer, on such terms and conditions as may be agreed upon by the parties, his acreage allotment and marketing quota to any farmer for use in the county or county area where such allotment has been made.

No such contract shall be enforceable until a copy has been filed with the agricultural stabilization and conservation committee of the county in which such allotment was made, and when a copy of such contract is filed with such county committee it shall have the effect of transferring such acreage allotment and marketing quota from one farm to the other. Such sale and transfer shall not affect the acreage allotment and marketing quota of the farm or farms from which sold or the farm or farms to which sold, except during the one year in which sold. Neither shall it affect the permanent acreage allotment or marketing quota history of either farm.

[H.R. 3031, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938 to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of such lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally

productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dry land farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm: *Provided*, That the acreage so leased and transferred shall not operate to continue the farm's status as an 'old farm'.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of the commodity on a farm to more than 60 per centum of the cropland on such farm."

[H.R. 4859, 86th Cong., 1st sess.]

A BILL To amend the Agricultural Adjustment Act of 1938, as amended, to provide for lease and transfer of acreage allotments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is amended by adding after section 378 the following new section:

"SEC. 379. (a) Notwithstanding any other provision of this Act, the owner and operator of any farm for which a commodity acreage allotment is established may lease any part of such commodity allotment to any other owner or operator of a farm in the same county for use in such county. Such lease and transfer of allotment shall be recognized and considered valid by the county committee provided the conditions set forth in this section are met.

"(b) Any lease shall be made on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree. No lease shall be entered into for any period in excess of one crop year, but may be renewed from year to year, if the parties so agree.

"(c) The lease and transfer of any allotment shall not be effective until a copy of said lease is filed with and approved by the county committee of the county in which the farms involved are located. If the county committee determines that the farms involved in the lease and transfer are approximately equally productive, the lease and transfer may be approved acre for acre. If the lease and transfer results in acreage allotment for the commodity being placed on a farm which is substantially more productive, such as an irrigated farm as compared with a dryland farm, the county committee shall make a downward adjustment in the amount of acreage allotment transferred so that the production from the transferred acreage will be approximately equal to that which would have been obtained on the farm from which the acreage was leased.

"(d) The lease and transfer of any part of a commodity acreage allotment determined for a farm shall not affect the allotment for the commodity for the farm from which such acreage allotment is leased or the farm to which it is transferred, except with respect to the crop year specified in the lease. The amount of acreage allotment which is leased from a farm shall be considered for purposes of determining future allotments to have been devoted to the commodity on such farm.

"(e) The lease and transfer of allotment acreage under provisions of this section shall not operate to increase the acreage of the commodity on a farm to more than 75 per centum of the cropland on such farm."

Mr. GATHINGS. This committee worked on this problem quite a lot last summer. We did not hold any formal hearings on the problem but in executive session we considered it on many occasions at the time that the Agricultural Act of 1958 was being written. Until such time, however, as formal hearings shall be called on the issue, it was the determination of the Subcommittee on Cotton, as well as the full Com-

mittee on Agriculture in the House, that hearings were necessary, that the problem should be looked into carefully from all angles before action is taken by the subcommittee.

We are pleased, indeed, to have you gentlemen with us this morning.

I notice particularly you have your Lieutenant Governor, Albert Boutwell. Albert and I went to school together for 3 years at the University of Alabama. We are proud to welcome Albert Boutwell, the Lieutenant Governor of the State of Alabama, and the other members of your delegation here with you, and we would be delighted to hear from anyone who would be the spokesman.

However, at this time I would like to yield to the gentleman from Alabama, Mr. Grant, who called this meeting this morning and Mr. Grant will no doubt introduce the various members of your delegation from the State of Alabama who are appearing here today.

Mr. GRANT. Thank you, Mr. Chairman.

I might say we have a very distinguished group here from the State of Alabama, and in my opinion men who know more about the farm conditions and economic conditions of farmers in the State of Alabama than any other one group.

About 2 years ago there was a committee formed, members of the house and senate of the State of Alabama, to look into the situation and we had the pleasure of hearing from them about a year ago. At this time there is a new State legislature and this committee has some of the same members and some additions—it has been reinstituted or reestablished as we might say—and they were up here and testified before the Senate Agriculture Committee yesterday.

The Honorable Bob Gilchrist, a member of the house, from Decatur, Ala., is chairman of this group, and I would like to ask Chairman Gilchrist to take charge at this time and introduce the members of his committee and any others that he desires to introduce.

Mr. Gilchrist.

STATEMENT OF HON. BOB GILCHRIST, A STATE REPRESENTATIVE OF THE STATE OF ALABAMA

Mr. GILCHRIST. Thank you, Congressman Grant and Mr. Chairman, we certainly appreciate the opportunity and sacrifice you gentlemen make in letting us have this special privilege this morning.

I would like to have a gentleman from North Carolina, Mr. Fritz Heidelberg, who has been working with us in the Southeast, and who is president of the North Carolina Cotton Producers Association, make his presentation. He has to leave town immediately, so if it meets with the approval of the chairman we would like to have him give his opinions first.

Mr. GATHINGS. Yes, any way you see fit we would be glad to hear from Mr. Heidelberg at this time.

STATEMENT OF FRITZ HEIDELBERG, NORTH CAROLINA COTTON PROMOTION COMMITTEE

Mr. HEIDELBERG. It is imperative, gentlemen, to the cotton welfare in many, many States in the Cotton Belt, particularly the Southeast, that laws governing cotton acreage be modified. For all practical

purposes allotments are now tied rigidly and inflexibly to individual farms.

The voluntary release and reapportionment provision which became permanent law in August of 1954 was an inadequate step in the right direction. It has not worked, in our opinion, it is not apt to work, and it does not solve the basic problem.

In States and sections of States across the Cotton Belt, where cotton allotments are shrunk into numerous contracts with few acres, it is important that the provision of law permit the flow of acreage from those who have lost interest in cotton production to those who want to stay with cotton farming as a full-time occupation. In North Carolina, for example, out of 83,569 cotton allotment contracts in 1958 54,258 were for 4 acres of land. An analysis of the distribution of these shows concentration in sections of the State which have in the past two decades shifted into other agricultural pursuits or have become industrialized. For many holders of cotton allotments in the industrialized section farming has become a sideline—part-time farming is prevalent. Historical allotments of acreage to control crops, including cotton, are accepted with some indifference as sources of supplemental income.

In North Carolina, of those who were defined as farmers in 1954, 25.1 percent worked off the farm 100 days or more and 26.6 percent of these reported off the farm income in excess of the total value of agricultural products sold. These percentages are higher in Arkansas, Alabama, Georgia, Louisiana, South Carolina, Tennessee, Texas, and Virginia. The percentages have increased sharply since 1954. This trend to part-time farming added to years of change in patterns of agricultural pursuit, the industrial developments of areas formerly rural, the disintegration of families by death and urbanization, plus the shrinkage of size in cotton allotments makes it clear that such ability needs to be put into acreage distribution. It is fundamental to the preservation and vitalization of cotton production in important areas of all States in the Cotton Belt, particularly the Southeast, that legislation permitting this flexibility be enacted as quickly as possible.

We believe that a provision to rent and transfer cotton acreage allotments would be most helpful. Such a provision, in the opinion of many of us in North Carolina, should be confined to within the county. There should be a production adjustment factor put in such a provision to meet the argument of the Department of Agriculture that such a provision would result in increased production, and we feel in North Carolina that such a provision should have a limited time, say for the crop years of 1959, 1960, and 1961, or 1960, 1961, and 1962, to see whether or not such a law would do good, and not let it be permanent until it became apparently so.

We feel, too, that there could be in such a law a provision, or at least in the intent, so that it could be put into administrative rulings, a limiting of such acreage to be transferred by percentage of the crop land. This general principle is already in effect in some other crops, particularly rice. Beginning this year a rice farmer has the acreage allotments assigned to him, not to the land, and he can take it with him if he moves his place of farming operation. I could point to others where this principle is already in effect regarding control crops.

May I very quickly, sir, give you six reasons to make this as brief as I can, why such a provision would be to the advantage of agriculture in a broad section of this Nation.

First of all, it would tend toward efficiency of production for the able family size farms in a broad area of the Cotton Belt. As it is now, a cotton farmer must rent the cotton acreage on the farm to which it is assigned, he has to drive his equipment there, plant it there. I have talked to many farmers in North Carolina who say: "Gracious alive, such a provision would be tremendously helpful. I am renting a piece of acreage here, there, and yonder trying to stay in agriculture, trying to stay in cotton production. It is very costly, very inefficient, for me to drive my equipment and my labor here, there, and yonder. If I could bring it together it would increase efficiency."

As a matter of fact, something in the newspaper to this point caused spontaneous feeling in Scotland County, N.C., and a group of farmers there got together and signed a statement to this effect and sent it in on their own. It would increase efficiency of production for able family size farms.

The second reason is, there would be a retention of agricultural income in the counties and States where cotton is a major crop. May I give you an example?

In Chatham County, N.C., 67.8 percent of the cotton acreage allotment in 1958 was neither planted nor put in the soil bank. Small counties—small acreage; but the percentage is significant.

In Wake County, N.C., 23.4 percent of the cotton acreage allotment was neither put into the soil bank nor planted in 1958.

In the case of Wake County, there was a loss to the county agricultural income from 854 acres, and figuring at a bale to the acre, \$128,000. And I am told by economists that such money turns over three times in the county, so Wake County lost \$384,000 in potential farm income.

In North Carolina as a whole, there were 35,000 acres that were neither planted nor put in the soil bank in 1958. At one bale to the acre, this means \$5,250,000 just thrown down the rathole. And multiply that by three and it is \$15,750,000 in North Carolina that could have been in our agricultural income tally sheet.

Mr. GATHINGS. Mr. Heidelberg, what are these folks doing who had that 35,000-acre cotton allotment; what are they doing with that land and how are they making a living?

Mr. HEIDELBERG. Many of them, Mr. Gathings, as I indicated, are in these counties where there has been over the past decade or two a change in the pattern of living. They are industrialized areas, factories have moved in. Many of these people still live on the land. About 6 o'clock in the morning, papa goes one way, mama goes another, and the children go another to work in factories. Farming is not a way of life for them.

So they just simply let this acreage sit there.

Mr. GATHINGS. Let us look at Wake County just for a minute.

I believe you said some 23 percent of the total cotton allotments in Wake County did not go in the bank in 1958 and was not even planted?

Mr. HEIDELBERG. That is right.

Mr. GATHINGS. What other allotted crop do you have in Wake County, N.C.?

Mr. HEIDELBERG. We have tobacco in Wake County, the principal crop. I would say in North Carolina in almost every county where farming is prevalent, Flue-cured or burley tobacco is the principal crop.

It is our principal crop in North Carolina, but cotton is the No. 2 crop, moneywise, ordinarily. We date everything before the soil bank.

Mr. GATHINGS. Were the cotton allotments the only allotments in Wake County that were not planted in 1958—

Mr. HEIDELBERG. I cannot answer that question, sir. I do not have a broad view of all of agriculture in the county.

Mr. GATHINGS. What is the principal city in Wake County?

Mr. HEIDELBERG. Raleigh, the capital.

Mr. GATHINGS. That is our chairman's county.

Mr. HEIDELBERG. That is our chairman's county. Both of these are our chairman's counties. This might be just a coincidence, sir.

Mr. GATHINGS. We visited Raleigh, this committee has, a few years ago, and we know a little something about the problems that you have there.

They held a hearing in Raleigh, and also one in Nashville, close by, which is the home city of our chairman.

Mr. HEIDELBERG. Could I give you another example, Mr. Chairman?

In Mecklenburg County, in which Charlotte is located, 35 percent of the cotton acreage allotment in that county was neither planted nor put in the soil bank, and that was 1,030 acres. This is a heavily industrialized area, a big city area—industrialization is taking place.

I am pointing these out from the 40 counties where we have Piedmont land, we have industrialization. But in the other 38 counties in North Carolina, where farming is prevalent, where it is a way of life, you have a low percentage of acreage that was not planted; it is a normal percentage that was not planted and it is where farmers really need this acreage.

As a matter of fact, in Mecklenburg County, the county agent last week in a meeting told me, "Lawdamercy, Fritz, if we could get the acreage from the people who have gone into off-the-farm planting to the people that really want to farm in this county, it would make a difference between their survival or their total destruction."

Mr. GATHINGS. Do you think other cotton farmers in this county would plant this acreage?

Mr. HEIDELBERG. We know it, sir. I could bring this committee abundant proof, in voluminous quantities, when and if it might ever desire it. Give me about 2 weeks to draw it together; abundant proof, sir.

In every one of these counties—

Mr. GATHINGS. That seems to be a pretty high percentage of folks who are not interested in planting their allotment. They are going into some other crop, or going into industry, apparently.

Mr. HEIDELBERG. It is not a percentage of people, Mr. Gathings; this is a percentage of crop; a percentage of acreage, not a percentage of people.

Mr. GATHINGS. I understand, 23 percent of the cotton allotments in that particular county that you gave us, and 35,000 acres over the whole State, were not planted in 1958, although they could have gone in the acreage reserve of the soil bank.

Mr. HEIDELBERG. I will give you another one. In Rutherford County, 59.3 percent was neither put in the soil bank or planted, and there was 1,754 acres.

I would be glad to supply the committee with this whole tabulation if you so desire.

Mr. GATHINGS. Without objection, it will go in the record at the conclusion of your statement.

Mr. Poage wants to ask a question.

Mr. POAGE. Mr. Heidelberg, I want to preface my question by stating that yesterday this committee voted on a bill to allow the exchange of rice and cotton allotments, and by a one-vote majority, the committee rejected that bill. I want to point out, I voted for that bill, I think it is a sound approach, and I want to point out, I think there is merit, very definite merit, in allowing the transfer of these allotments.

However, some questions have arisen, and I want to ask you if it is not probable, if we pass simply a leasing bill—as I understand you are proposing, and as I understand the Alabama delegation proposes, in contrast to the selling bill of the Mississippi delegation, if I can put it that way—if we pass simply a leasing bill, won't you perpetuate in perpetuity exactly the situation that you are now talking about, where you are going to keep allotments in the hands of people who are never going to plant them themselves?

Mr. HEIDELBERG. I think you are right, sir, and that is why in my opening remarks I recommend that we in North Carolina suggest such a provision to be for a limited time only, for three crop years.

Mr. POAGE. That is exactly what I am talking about. When you limit it, as the Alabama bill does, in effect, to 2 years, as I understand it, rather than providing for an outright sale of these allotments, you are going to have that same man continuing to own the allotment, are you not, even though he is working in the mills and he never puts a foot on the land?

That man down there around Charlotte is not going to go back and farm that land, he is going to continue working in the mills in Charlotte.

Now, aren't you going to keep that allotment in his name, in perpetuity, because you say, if I understood you correctly, you do not want him to lease it for more than 3 years?

Mr. HEIDELBERG. No, sir, I said that we preferred a law which did not run more than 3 years.

Mr. POAGE. Oh, you meant that you could sell it within the 3 years—

Mr. HEIDELBERG. No, lease it. We prefer a law that will apply to the crop years of 1959, 1960, and 1961—period, just to see how the thing works.

Mr. POAGE. Then you propose to give a 3-year period in which you can lease a year at a time?

Mr. HEIDELBERG. That is right. That is what I am suggesting might be a good approach to this because then we could see, sir, whether or not the objections and fallacies you see in it would be real, and if they were then the law could be allowed to wither on the vine.

Mr. POAGE. Well now, if you would allow those allotments to be sold you would avoid that, wouldn't you? If you allowed those allot-

ments to be sold, instead of leased, I mean, just exactly the way we sell milk allotments?

I have been in the dairy business—for 10 years—and I am, fortunately, out of it right now. We could buy and sell milk allotments. We bought them, I bought them; we sold them, I have sold them; we advertise them in newspapers. Our milk allotments could be bought and sold. There was a going price for allotments. It varied a little bit from time to time, but it did not hurt anyone that I can see. It seemed to me that it worked pretty well. And, it kept those allotments in the hands of the milk producers who wanted to produce milk and who could produce milk most efficiently, rather than letting them get into the hands of someone who never intended to operate a dairy. And I do not see why, if we sell these cotton allotments so that the man who is actually out of the cotton business gets out and stays out, the whole country is not better off than it is to have the allotments in the hands of a fellow is not farming it and has no intention of farming it.

Mr. HEIDELBERG. Mr. Poage, you and I have talked about this matter privately several times——

Mr. POAGE. Yes, I know we have.

Mr. HEIDELBERG. And there is merit in your viewpoint. However, we in North Carolina, we believe, have a proposal that is even better than yours which has not seen the light of day yet in this Congress, and which is a simple one, that the unplanted acreage will be reassigned to the people in the county first who really want to stay in farming, and then if the county does not absorb the abandoned or unplanted acreage and unwanted acreage, other counties in the State have a second shot at it before it disappears back into the national allotment. That we believe in. Now there is no transfer of money at all there, this is just letting the farmers who want to farm have the right to farm. But we are not talking about that in here.

Mr. POAGE. I was down at a meeting in Atlanta, about 2 weeks ago, and heard some discussion about that, and I think there is a good deal of merit in it. It sounds to me as if it may even have greater merit than the proposal for selling or leasing allotments.

Mr. HEIDELBERG. Sir, you put it in language and we in North Carolina will just get right in behind you with everything we have.

Mr. POAGE. Well, you know my people are not very enthusiastic about any of this program, but I think they would be more inclined to accept that program than the others. I think they would take the sale of allotments. I think the majority of my people would support the sale of allotments, although when it was first presented to them it did not catch fire very readily. But the more they study about it, the more they agree that we must make some provision for getting these allotments in the hands of men who will use them. However, I think this proposal that you are suggesting might very well receive more widespread acceptance than the sale idea.

Mr. HEIDELBERG. Well thank you, sir. And that is why I have just said that this leasing matter seems to have gone along, and if we could take it temporarily until we could work this other thing out—but we are desperate. After 1959 section 377 in the Agricultural Act of 1938, as amended, will expire, which is the preservation of unused acreage. And in 1960 we will begin to lose the acreage in your section—and this problem is in your section, we have corresponded

about it—and all over the Southeast, and all the way to the Cap Rock of Texas. A leasing provision limited to the crop years of 1959, 1960 or 1961, or 1960, 1961, 1962 would give us time, I do believe, sir, to work this other thing out. And you know, Mr. Poage, we cannot start in on a new idea like that and get it done in time to get the relief that we need.

Mr. POAGE. Of course, please understand, when you say “get it done in time to get the relief we need,” I want to make it abundantly clear on the record, and everywhere else, that I am not going to support any proposal to change the law this year. We have already made commitments to too many people. We have asked them to turn in their allotments, turn them in to the county committee for redistribution, and I think it would be a grossly unfair situation to make any of these proposals effective this year of 1959. Their cotton has been planted for 3 weeks down in the Rio Grande Valley, and to tell those people who have already planted under one set of rules that we are now going to come along and change the rules—I certainly do not want any idea to get out that I would ever support a proposition of that kind for this year.

Mr. HEIDELBERG. Let's talk about 1960, 1961, 1962.

Mr. POAGE. That is right.

Mr. HEIDELBERG. I have myself covered. I said either 1959, 1960, 1961, or 1960, 1961, or 1962 because I did not know what the thinking of this group was.

But if we could get a temporary relief and begin to get these adjustments made, and then go into this broader law that would be a permanent one, so that the acreage that is being abandoned in areas where change is taking place will get to these folks who really want to plant. That is what we are after. We want farmers who want to farm to have some reasonable opportunity to farm, and another point I want to make later, to feel that they are really in a free enterprise system which at its best is that the little man can get bigger.

Mr. POAGE. Let me ask, don't you think there is some real danger, if you ever adopted a leasing program for 3 years, that it would make it extremely difficult to ever pass the kind of program you just suggested? Because once you have been giving people money for a practice, I find it extremely difficult to then come along and induce those people to accept a program that requires them to make the same sacrifice without any payment.

Mr. HEIDELBERG. Well, sir, why did so many people who could have gotten more soil bank than they would get for a lease of cotton acreage in North Carolina not even put it in the soil bank in 1958?

Mr. POAGE. I am sure I could not answer that; I wanted you to give us that answer. I can tell you why some of them did not do it in our county. They gambled on the weather, and they held their allotments to see whether they thought it would be a good year. When they decided it was not, they did not plant. Had they thought it would turn out a good year, they would have planted. They felt the gamble was worth more than what the soil bank would pay them.

Mr. HEIDELBERG. I do believe, sir, the point you just raised is, to some extent, not valid in view of the fact that so many—

Mr. POAGE. I do not think it is, either, in North Carolina because you do not have the kind of drought we were having.

Mr. HEIDELBERG. We have some Americans over there, you know.

Well, be that as it may, sir, the two going side by side would probably be good, to have both, so there would be a provision for all kinds of farmers, and as they abandon it would be unplanted.

Let me give you a case in point. A good friend of mine, Mr. Upchurch of North Carolina, recently bought a tract of land right in Laurinburg. It has 82 acres of cotton allotment on it. He is going to put streets and lights in there. What is he going to do with the 82 acres? It is going to be lost to North Carolina because of the provisions of the present law.

Mr. GATHINGS. Mr. Pirnie.

Mr. PIRNIE. How does this cause a loss to the State of North Carolina? It becomes used for a beneficial purpose; it becomes a real estate development. Taxwise and economically, isn't it of greater value to the State of North Carolina?

Mr. HEIDELBERG. You mean the land itself? Yes; I would say Mr. Upchurch will probably—I am sure he hopes to—realize considerably more money off of the real estate development than he would off the 82 acres of cotton that would be planted on the farm. But nevertheless, it is the loss of an agricultural asset to that county, when there are other farmers in that county, to whom farming is a way of life, who need desperately a few more acres of cotton.

Now, we do not know how, under existing laws, that 82 acres of cotton can be preserved in the agricultural income of that county. If it is unplanted, it disappears. It goes through some magnificently intricate formula, but most of it will get back into the national allotment, and it will go to other States in subsequent years.

Mr. PIRNIE. But economically, your area is improved, isn't it?

Mr. HEIDELBERG. You are talking about the particular land upon which the acreage was planted?

Mr. PIRNIE. Well, your earlier testimony referred to unused allotments—

Mr. HEIDELBERG. That is right.

Mr. PIRNIE. As indicating an economic loss to the State.

Mr. HEIDELBERG. Yes, sir.

Mr. PIRNIE. But if this land is being turned over for a real estate development, there is an economic gain to the State, isn't there, through the construction and through the increase of the tax load?

Mr. HEIDELBERG. Sir, I believe my words were "loss of agricultural income," not "of general economic income."

Mr. PIRNIE. Well, it is hard to keep it for both purposes, isn't it?

Mr. HEIDELBERG. We would like to keep all we can keep. Wouldn't you in your State, sir?

Mr. PIRNIE. I do not think we would use that method.

Mr. ABERNETHY. Mr. Chairman.

Mr. HEIDELBERG. Mr. Gathings, may I make my third point?

Mr. GATHINGS. Mr. Abernethy wanted to ask you a question.

Mr. ABERNETHY. Not so much a question as it is an expression of opinion to see if you agree with it.

There are two things that are now uppermost in the minds of the farmers of the Cotton Belt: One is the possibility of legislation authorizing some sort of a sale or transfer of allotments; the other is a surrender, current surrender, of allotments that will not be planted so that they are to be redistributed.

The people who own allotments, and who do not intend to plant, naturally are hopeful that there will be legislation now so they can sell those allotments or lease them. And there is another group of people who are likewise hopeful that legislation will be passed so that they may purchase those allotments to increase their current acreage.

Now, the interests of these people could best be served, in my judgment, by making clear to them what the prospects are in Washington at this time. No matter what opinion one may express, there is a slight degree of gamble in it—he may be wrong.

On the other hand, with the Department's position what it is, having just reported against a bill of this kind, with this committee having yesterday voted 15 to 14 against a comparable yet much less involved piece of legislation, I think it is incumbent upon members of Congress to put on the record what the possibilities are of getting legislation.

Mr. HEIDELBERG. For this year or for any year?

Mr. ABERNETHY. This year.

Mr. HEIDELBERG. This year, I think so.

Mr. ABERNETHY. And always, when one puts himself on the record, he is on the record, and some are going to agree and some are going to disagree. But irrespective of that, I think the people are entitled to know what the situation is. The wrong impression must not get out to them as a result of current publicity out of Washington over this matter.

I do not think there is a chance to pass a bill this year. I doubt there is much chance to ever pass a bill of this kind, although I am for it; I want that clearly understood.

Mr. GRANT. Pardon me, but you want to strike that last statement, don't you, that there is a chance to ever—

Mr. ABERNETHY. I will put it this way: I will say that the opportunities of passing a bill of this kind now, next year or the next, are not good. I will say they are not good, although I am for it; I am for the idea.

Now, if the wrong sort of publicity goes out from Washington at this hour, and the people who have allotments who are not going to plant them get the impression that we are going to pass a bill this year that will permit them to sell or lease their allotments, then they are going to hold on to them, are they not?

Mr. HEIDELBERG. Very likely.

Mr. ABERNETHY. And they may never surrender them. I mean, they will not surrender them in time to be reallocated in the counties; is that not right?

Mr. HEIDELBERG. I would think so.

Mr. ABERNETHY. All right; then the important thing now is the planting of that acreage.

There are a lot of people right now holding allotments who think this soil-bank program even now is going to be reinstituted sometime during this year. A friend of mine in Jackson, in my State, called me the other day and told me over the telephone that he knew of a few people who were still holding out hope, and that he had hoped some expression would come out from up here leaving those people with the definite understanding that there is no hope for any soil bank

this year, there is no hope for any legislation this year, so that this surrender campaign can be put underway and concluded successfully.

Now, the purpose of all of this ramification of mine here is to try to get on the record the picture as I see it. I am for the legislation, but I certainly do not want the impression to go back to the people of my district, where I am now, along with others, trying to get underway a good surrender campaign and throw some sort of a monkey wrench into it as a result of publicity out of Washington, leaving them under the impression we are going to have a bill. I want that campaign to progress; I want that acreage surrendered. I think it will be surrendered if we are very careful of the publicity that goes out of here at this time.

Do you agree with that or not?

Mr. HEIDELBERG. I will agree with it, Mr. Abernethy.

Mr. ABERNETHY. That is all.

Mr. HEIDELBERG. It was my impression they had already been told by this committee such legislation would not be passed. It had been made quite clear—

Mr. ABERNETHY. Still, news gets into the paper every day or two that we are going to do something.

Mr. POAGE. Every time we have a meeting, there is a newspaper report that we are going to pay for these allotments.

Mr. HEIDELBERG. I see what you are trying to do. I am not here to try to persuade you gentlemen to pass a law this year relative to this thing. My purpose in being here is to give the reasons why such a law would be good for a broad section of the Cotton Belt and—

Mr. ABERNETHY. I am already persuaded it is a good thing. On the other hand, I am convinced the prospects of this year are not good, and I want my people to take the best course, and the best course that offers the least gamble; and the best course and the course which offers the least gamble is to promote now an organized effort in these counties to surrender that acreage.

Mr. GATHINGS. Mr. Grant, of Alabama, asked this committee to meet about 2 weeks ago, and we held an executive meeting on this very subject.

As a result of that meeting, a release was issued by the committee to the effect that any type of legislation similar to H.R. 1811, which was proposed by the gentleman from Alabama, Mr. Grant, would not be approved this year to apply to 1959.

I would like to have incorporated in the record the report of the Department of Agriculture, which the gentleman from Mississippi referred to, at the conclusion of your remarks, and I would also like to have incorporated in the record section 377, the amendment to the Agricultural Adjustment Act of 1938 as amended, which does preserve the unused cotton acreage allotments within the county for the current year 1959, which you referred to a moment ago. I would like that to go in the record at the conclusion of your remarks without objection.

Mr. Hagen.

Mr. HAGEN. Mr. Heidelberg, you stated that this voluntary reapportionment had failed—in effect you said that. Why has it failed?

Mr. HEIDELBERG. I believe, sir, that my words were the voluntary relief and reapportionment provision which became permanent law

in August of 1958 was an inadequate step in the right direction. It has not worked and is not apt to work; it does not solve the basic problem.

Well, for the same reason that Mr. Poage has given—that the history remains on the farm. Furthermore, it is a rather dangerous piece of law, we feel in North Carolina, in this respect, that a man can voluntarily lease his acreage and whole history, but if in the county that acreage is not planted, the county loses the history of the number of acres not planted. I do not think everyone understands that clearly.

Mr. HAGEN. I had forgotten that.

Mr. HEIDELBERG. Yes, he still holds his history, but let's say, for example, Mr. Hagen, that 200 acres of cotton are released to the county committee in Wake County, and only 150 of those acres are planted. Wake County, N.C., the next year will lose 50 acres in its allotment. The man still holds his history, but he holds history only of the percentage of the acres that he had, less whatever percentage of that 50-acre loss would be depleted from his farm history.

Mr. HAGEN. Of course another motive would be, if he were a small farmer he would figure that by releasing he would perpetuate the oversupply situation into next year when he might want to come back into the cotton business and it would be to his economic disadvantage to release. That could be another point.

Now you referred to rice; in some States, at least, the operator may not be the farm owner but owns the allotment. You are not proposing this for cotton, are you?

Mr. HEIDELBERG. No, sir, I am not proposing that. I was simply pointing it out as a case where there are different rules for different crops, different regulations and basic principles already there for this sort of legislation.

Mr. HAGEN. Now you mentioned a farmer who had leased several parcels of land, stating that currently a man can get an allotment by leasing the owner's land, but that he cannot consolidate allotments thus acquired on an economic unit. Actually that situation could be improved merely by changing the regulations by the Department of Agriculture to permit a combination on, say, the farmer's homestead.

Mr. HEIDELBERG. It could, sir, it has not been done.

Mr. HAGEN. This combination problem is a difficult one, because of current regulations.

You are familiar with the minimum acreage provisions of the current law. You would not propose that these 10-acre allotments, which really in part at least are not earned, should be transferable? You are not proposing that?

Mr. HEIDELBERG. That they could not be transferred?

Mr. HAGEN. You would not propose they could be leased or sold, would you, because in part they are not earned?

Mr. HEIDELBERG. Suppose a man who has it does not want it, and he is not going to plant it?

Mr. HAGEN. Of course the theory of the 10-acre minimum is that it helps the man with a lesser allotment stay on the farm, and you are not keeping him on the farm if you let him sell his allotment, or lease it?

Mr. HEIDELBERG. I have never used the word "sales," sir—

Mr. HAGEN. No, confine it to lease. I mean, by permitting him to lease it you are not keeping him on the farm in that given area.

Mr. HEIDELBERG. I do not believe—

Mr. HAGEN. What I am trying to establish is this. We established this 10-acre allotment on the theory that this would keep these 10-acre people on the farm farming. They did not earn this history, this allotment in toto therefor, there is no reason why we should permit them to take that and peddle it. That is all I am saying.

Mr. HEIDELBERG. That would be a matter of opinion.

Mr. HAGEN. Also these bills, the bulk of them, permit only transfer within a single county. I want to point that out to you because you mentioned that in North Carolina counties, in effect, whole counties are going out of the cotton business in large measure, but most of these proposals would only permit transfers within a given county.

Now I want to ask you another question. Who are you trying to help here, the man who owns the allotment or the man who seeks to acquire it?

Mr. HEIDELBERG. Well, I would think we would be helping both in case of a lease, sir. If a man who has it is in a position where he cannot use it—perhaps he has grown old; it may be that when he obtained this allotment he was 45 years old, and that was 20 years ago, and now he is 65 and he cannot farm any more, and it would be to his advantage, I would think, if some younger man who was coming up in the farming picture could get the acreage to plant. And that man who has grown too old to farm could realize some money—

Mr. HAGEN. In that connection, if you wanted to give the allotment owner the maximum benefit, you should have a national roster of allotments for lease or sale so that he could get the maximum bidding on his allotment. And that is what Western cotton representatives would propose if we endorsed this proposal or reluctantly went along with it.

Mr. HEIDELBERG. Well, I have heard that, sir; I heard it from one of the representatives of the Western cotton growers. I have corresponded with some of the men from California. I have had some interesting correspondence with Col. Fred Sherrill. I am sure you know Colonel Sherrill of Los Angeles. And, also, Lindsay Gunn in Fresno.

I think, Mr. Hagen, in recent weeks they have come to recognize, and particularly Colonel Sherrill and a group of men out there, it is a little too radical, and they see this need for a revolutionary program in this matter.

Mr. HAGEN. You would concede a maximum benefit for the owner on the allotment could be secured by permitting him to sell it across State lines?

Mr. HEIDELBERG. You are holding my remark to the benefit of a 65-year-old man in South Carolina. We are also interested in the 35-year-old man who is coming along and wants farming as a way of life. We are just as interested in him as the 65-year-old man who has grown too old to farm.

Mr. GATHINGS. You wanted to make your third point a moment ago.

Mr. HEIDELBERG. Well, the reason I stated, Mr. Gathings, this is testimony that I came to Washington yesterday to make at the Senate Subcommittee on Cotton, and did make, and I simply stayed over

at the request of my friends from Alabama to make this and get it in the transcript so it would be there. I would like to make these other points and, if you do not mind, I am ready to answer any questions.

Mr. GATHINGS. Suppose you proceed then.

Mr. HEIDELBERG. I will quickly review: The first point was that such provision, putting flexibility into cotton allotments, would make it possible for efficiency of production to be practiced by able family sized farms.

The second: Retention of agricultural income in county and State would be benefited.

The third point I would like to make to you is that it would tend, we believe, toward preservation of the family owned and operated farms and, consequently, further the aims of the rural development program.

Might I point out that President Eisenhower in his message to Congress on January 18, 1958, that would be the 85th Congress, spoke of the rural development program initiated at his request by the Department of Agriculture. This program is a cooperative one between local, State, and Federal Governments. It has been in operation on a demonstration basis in 63 counties and 8 trade areas in 30 States for 3 years.

It has three major objectives: First, to help families with a desire and ability to stay in farming gain the necessary tools, land, and skills to do so; second, to widen the range of off-the-farm employment opportunities; and, third, to help rural people enjoy more opportunities for adequate training and improved health.

This rural development program has been cited frequently to committees of Congress, and I would expect this committee by the present administration, as one of the real accomplishments for the welfare of the small-scale farmer. But when applied to areas where a cotton production is an important agricultural pursuit a close look at the first of the rural development program's objectives, namely, to help families with a desire and ability to stay in farming gain the necessary tools, land, and skill, leaves me scratching my head. Small-scale farmers in these areas do not need more land, they need more cotton acreage for the land they are already on. And I do believe that it would accelerate attainment of the objectives of this worthy program if the cotton acreage allotted to those who are finding off-the-farm employment satisfactory could be transferred to the agricultural programs of those who want to stay with farming as a full-time occupation.

That was the third point. The fourth point I would like to make is that it is in keeping with free enterprise in that it would permit the small man to become larger. And I believe this is the essence of our free-enterprise system.

The fifth point I would like to make is that it would be used by cotton farmers, and I say that on the basis of a questionnaire that I sent in 1958 to 2,000 North Carolina cotton farmers. One question was: Would you lease your cotton acreage? And of 476 replies 118 said, "Yes, I would lease," 335 said, "No," and 23 gave no answers.

The sixth point I would like to make is that this matter of transferability of cotton allotment recognizes the basic fact that change is the only unchanging thing, that farmers change, that areas change

through death, through change in land ownership, in patterns of agriculture, and in industrialization of an area.

I might close these remarks by citing a cotton allotment situation in a North Carolina study made in 1957 by some very able men in our North Carolina State College, and I would give you some of their conclusions quickly quoting:

It seems quite clear that the present pattern of allotments to North Carolina will help take cotton out of the State at a very rapid rate.

And continuing:

It is obvious that some change must be secured in the pattern of allotments in North Carolina if it is to stay in cotton production in the future.

There are those who look at the trends in cotton production in the State and at the present cotton allotment situation and reach the conclusion that cotton is doomed in North Carolina.

This is a poor philosophy to adopt—North Carolina needs every possible source of income.

And this study was to a situation that is prevalent in many Southeastern States and other States in sections of this Cotton Belt.

In conclusion let me say that after 1959 section 377 of the act of 1938 expires and in 1960 unplanted acreage will begin to disappear from North Carolina and from other States. It will drift toward high production cotton areas, while able farmers in the affected States are unable to get it in spite of the fact that they desperately need it to stay in business.

And I think the point that it will drift toward the high production areas needs to be made quite clear because the Department continues to say that it opposes such law on the ground that it will increase production. I cannot see how it would increase production, Mr. Gathings, when it goes from a bale or a bale-and-a-quarter land in North Carolina, by the attrition of the law, to two and two-and-a-half-a-bale-an-acre land in the high production area.

Thank you, gentlemen.

MR. GATHINGS. Thank you, Mr. Heidelberg. We appreciate your fine statement and want to say to you that you are doing a remarkable job heading up the new North Carolina cotton association. I do not know the name of it, but in any event, you are doing a splendid job and we are proud, indeed, to have you appear before our committee at any time.

MR. HEIDELBERG. Thank you very much, sir.

(Section 377, the amendment to the Agricultural Adjustment Act of 1938, as amended, is as follows:)

SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage is planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm) shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator of such farm notified the county committee prior to the 60th day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. Acreage history credit for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments. This section shall not be applicable in any case in which the amount of commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted.

(The reports from the Department of Agriculture and table referred to are as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 25, 1959.

HON. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR CONGRESSMAN COOLEY: This is in reply to your request for a report on H.R. 1811, a bill "To provide for lease and transfer of acreage allotments," transmitted with your letter of January 20, 1958.

Under this bill the owner and operator of a farm with an acreage allotment may lease all or part of any such allotment to the owner or operator of another farm in the same county under the following limitations:

1. No lease can be entered into for more than 1 year, but may be renewed from year to year,
2. A copy of the lease must be filed with, and approved by, the county committee,
3. If the farms are approximately equally productive, the transfer may be made acre for acre. If the transfer is to a farm which is substantially more productive, the county committee will make a proportionate downward adjustment in the amount of the allotment transferred,
4. For the purpose of determining future allotments, the amount of the acreage allotment transferred will be considered as having been devoted to the commodity on the farm from which leased,
5. The acreage transferred shall not operate to increase the acreage of allotted commodities on a farm to more than 75 percent of the cropland on such farm.

We do not recommend enactment of this bill because it will result generally in the increased production of commodities already in surplus supply. Even though there is a provision in the bill requiring adjustments in allotments transferred to reflect differences in normal yields between the farms involved, production will still be increased because the farmers leasing the allotments will generally be more progressive in their methods and practices and will have the abilities and resources to get higher yields per acre than did the farmers from whom the allotments were leased. For the commodities for which minimum national acreage allotments are set by law, offsetting reductions cannot be made. In addition, a producer could lease his wheat or peanut allotment and yet be permitted to produce and market 15 acres of wheat or 1 acre of peanuts. This would add to already burdensome surpluses, especially with respect to wheat.

If enacted, this bill would tend to concentrate production in the hands of larger operators which is contrary to the philosophy of other existing legislation which provides for minimum acreage allotments and permitted acreages. It would also permit the accumulation of allotments, and the production of allotted crops, in excess of amounts generally regarded as effective family sized farm units.

There is a conflict of interest between this bill and the provisions of the conservation reserve and great plains programs since farmers could lease allotments which have been retired from production under these programs to other farms and the allotment could then be planted. The bill would also permit a producer to lease portions of his commodity allotments which have minimums established by law and then have the remainder of the farm allotments build back up to the minimum levels provided by law. This would be inequitable as well as contributing further to surplus production.

The Bureau of the Budget advises that there is no objection to the furnishing of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 25, 1959.

HON. HAROLD D. COOLEY,
Chairman, Committee on Agriculture, House of Representatives.

DEAR CONGRESSMAN COOLEY: This is in reply to your request for a report on H.R. 308, a bill to authorize the sale and permanent transfer of acreage allotments, transmitted with your letter of January 10, 1959.

Under this bill the owner and operator of a farm with an acreage allotment may transfer all or part of any such allotment to the owner or operator of another farm in the same State under the following limitations:

- (1) Such allotment has not been transferred within the 2 preceding crop years;
- (2) The allotment (and history acreage) is adjusted to reflect any difference in the normal yields of the two farms;
- (3) Transfers across county lines cannot be made unless the producers of the commodity in the county from which the transfer is being made have voted within 3 years by a two-thirds majority of those voting to permit sales across county line;
- (4) Grantor and grantee both sign an authorization of transfer and file with the county committees;
- (5) The resulting allotment for the farm shall not exceed the larger of—
 - (a) one hundred and fifty percent of the average allotment in the State of the commodity, or
 - (b) in the case of cotton, 50 acres; peanuts, 30 acres; tobacco, 10 acres; rice, 60 acres; wheat, 60 acres.

We do not recommend enactment of this bill because it will result generally in the increased production of commodities already in surplus supply. Even though there is a provision in the bill requiring adjustment in allotments transferred to reflect differences in normal yields between the farms involved, production will still be increased because the farmers buying the allotments will generally be more progressive in their methods and practices and will have the abilities and resources to get higher yields per acre than did the farmers from whom the allotments were purchased. For the commodities for which minimum national acreage allotments are set by law, offsetting reductions cannot be made. Some farmers who might be faced temporarily with inadequate financial resources would be under heavy pressure to sell all or part of their allotments whereas good farm management might indicate the need for increasing the size of this part of their enterprise. In addition, a producer could sell his wheat or peanut allotment and yet be permitted to produce and market 15 acres of wheat or 1 acre of peanuts. This would add to already burdensome surpluses, especially with respect to wheat.

If enacted, this bill would tend to concentrate production in the hands of larger operators which is contrary to the philosophy of other existing legislation which provides for minimum acreage allotments and permitted acreages.

We also feel that acreage allotments should be a continuing benefit to farm families and should not be permitted to be sold as a chattel.

Following are several additional deficiencies in the bill, most of which would contribute to further surplus production:

- (1) The bill would permit a producer to sell portions of his commodity allotments which have minimums established by law and then have the remainder of the farm allotments built back up to the minimum levels provided by law. This is inequitable as well as contributing further to surplus production.
- (2) Under this bill farmers could buy allotments, and grow allotted commodities, equal to the total of the cropland available year after year. This is contrary to good farm management and conservation principles.
- (3) There is a conflict of interest between this bill and the provisions of the conservation reserve and Great Plains programs since farmers could sell allotments which have been retired from production under these programs to other farms and the allotment could then be planted.
- (4) The holding of referendums for each commodity in every county with allotment commodities would be a costly and burdensome requirement.
- (5) The language which provides for the adjustment of allotments to reflect differences in normal yields is too precise for effective administration.
- (6) The enactment of the legislation would upset long-term agricultural financing as we know it. In many areas of the country, a substantial portion of the value of a farm is derived from its acreage allotment. To enable owners to dispose of allotments would make it possible for them to deprive mortgageholders of a substantial portion of their security. Lending agencies would have to revise their procedures and, to be conservative, would have to base loans on the value of the farm without an allotment. The present practice of retiring farmers selling farms to younger men and taking back a mortgage for a major portion of the purchase price would no longer be as feasible as at present.

The Bureau of the Budget advises that there is no objection to the furnishing of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

Counties in North Carolina in which more than 23 percent of allotted cotton acreage was neither planted nor soil banked in 1958

County	Percent not planted nor "banked"	Acreage not planted nor "banked"	Acreage available for planting less soil bank	County	Percent not planted nor "banked"	Acreage not planted nor "banked"	Acreage available for planting less soil bank
Alamance.....	75.0	33	44	Guilford.....	70.6	53	75
Alexander.....	45.7	148	324	Hyde.....	33.3	36	108
Beaufort.....	31.3	346	1,104	Iredell.....	28.9	1,156	3,991
Bladen.....	24.8	518	2,088	Mecklenberg...	35.0	1,030	2,944
Brunswick.....	43.1	78	181	New Hanover...	87.5	7	8
Burke.....	71.0	22	31	Onslow.....	54.8	114	208
Cabarrus.....	29.8	517	1,733	Orange.....	83.9	47	56
Caldwell.....	83.3	10	12	Pasquotank...	53.0	130	245
Camden.....	52.4	141	264	Pender.....	72.2	96	133
Cartaret.....	52.4	11	21	Perquimans...	47.7	558	1,170
Catawba.....	48.7	330	677	Polk.....	24.8	86	347
Chatham.....	67.8	240	354	Randolph.....	72.9	35	48
Columbus.....	39.0	669	1,717	Rowan.....	54.1	1,204	2,224
Craven.....	30.0	140	467	Rutherford...	59.3	1,754	2,955
Currituck...	39.7	87	219	Stanly.....	34.8	252	725
Davidson.....	60.2	240	398	Tyrell.....	48.4	109	225
Davie.....	51.2	504	984	Wake.....	23.2	854	3,677
Durham.....	41.7	38	91	Wilkes.....	35.5	22	62
Forsyth.....	75.2	73	97	Yadkin.....	64.3	9	14
Gaston.....	39.6	355	896				
Granville.....	44.0	81	184	Total....	39.0	12,133	31,101

Mr. GATHINGS. Mr. Gilchrist.

Mr. GILCHRIST. Thank you. On behalf of the Alabama cotton delegation I would like to thank Mr. Heidelberg for coming up here and appearing with us.

I would like to preface the testimony of the Alabama committee by saying that we do not view this legislation, the leasing or exchange of acreage, as a permanent cure-all. We look at it as a crutch to stand on, Mr. Chairman, until we can pass what we have already recommended in two other appearances before you, the Poage bill, or the bill supported also by Mr. Cooley, on compensatory payments.

Our basic position is that we have to preserve the stability of these communities that are dependent on the volume of cotton, and this leasing transfer bill is the only measure that we see right now that can hold that cotton on a volume basis within that community.

We see our gins disappearing. And we have had a survey made by the Alabama Extension Service, and it shows that a little over 100,000 acres will not be planted unless we can have enacted this year a measure similar to the Grant bill, or to the bills that have been introduced by the other Members of Congress.

And, as Mr. Heidelberg has said, our objective in coming up here was to try to persuade you gentlemen to enact that legislation this year. However, I quickly admit that I think we had better retreat to our second line of defense because I realize that we are not going to be able to do it.

However, if at all possible it should be done next year, or until such time as we can get Mr. Poage's bill passed on the compensatory payment plan.

I would like to call as our next witness, and I would like to ask the gentlemen on our committee not to give their prepared statements in view of developments that we have had, but to limit their remarks and open themselves for questions.

I think we can develop and probably present our case better through questions and answers than through the formal statements which might cover other points.

I am going to call on our commissioner of agriculture, who is a farmer in his own right, who has had considerable experience, and I think you gentlemen will enjoy hearing from Mr. Red Bamberg.

Mr. GATHINGS. Mr. Commissioner, we would be glad to hear from you.

STATEMENT OF R. C. BAMBERG, COMMISSIONER OF AGRICULTURE, ALABAMA

Mr. BAMBERG. Thank you, Mr. Chairman and ladies and gentlemen; it is certainly a pleasure to be here. I am certainly happy to see my Congressman, Congressman Selden.

First I would like to say this, that in World War II the taxpayers of the United States were very gracious to me in giving me a tour over all the world, completely around it. I have always been able to say that I have never been to Washington, the nerve center, but due to the fact I entered into Alabama politics it is necessary for me to come to Washington in the interest of Alabama farmers.

Now, I am not one to believe on getting on a junket to Washington every other day to see my Congressman or my Senator. So you can see a man 48 years old who never has been to Washington, if he is up here now, you can rest assured he is up here in the interests of his people back home.

Mr. GATHINGS. We feel sure that is true.

Mr. BAMBERG. I want to make a short remark with reference to leasing of cotton acres.

Under the present law, we can get the acreage planted provided we can get it back into the county committee. Under the leasing plan we are simply asking to implement by law, so that the administrative blocks won't be thrown in front of us.

Now, if Congressman Abernethy and myself were in Mississippi and we had all of the cotton acreage in Mississippi and we wanted to exchange it among ourselves, it would be very easy, because he and I would go to the State office and we would make arrangements.

But in the ramification of administration, when you take some 125,000 farmers in Alabama, and you being to shift acres around, you run into a great deal of administrative roadblocks that prevent it. It is just hard to take 125,000 farmers in Alabama and shift acres around.

We are not asking for a change in law, but just make it a little flexible so it will work.

In Alabama we have 97,000 farmers who have contracts for less than 10 acres. Now, as the gentleman from California mentioned, with reference to the 10 acres and less, it is true that you are going to destroy some of the 97,000 farmers, or contracts, out here, in the proc-

ess of leasing, but they are being destroyed now. You are going to destroy 97,000 because you cannot make it on 10 acres or less.

We say this would enable us to salvage a reasonable number of contracts out of that 97,000 by a combination. Now, that is just the whole thing about it. I look at it as a practical point, and I know this, that if we could get a leasing bill through, it would enable us to salvage a lot of farmers that are going out of the picture.

Now, where they are going, I do not know, but there are a lot of them going on the relief roll, a certain type of farmer, because industry cannot absorb it and they are not qualified to go into industry. So it is a question of salvaging 97,000 contracts we have in Alabama.

I would like to say, with reference to what Chairman Gilchrist has said, I am a great believer in the bill that Representative Poage had instigated at one time or another here with reference to the compensatory payments. I wholeheartedly adopt it.

However, we are jockeyed into a time element here in which we need to get some relief. We came to Washington on this junket more or less to find out, Mr. Abernethy, whether or not this bill was going to be passed. We called on the telephone, but we decided we would make a trip up here to see—

Mr. GRANT. If the Commissioner will pardon me, don't you want to strike that word "junket"? [Laughter.]

Mr. BAMBERG. No, it is perfectly all right, Congressman.

We do earnestly ask you, though, to consider this for 1960, not as permanent legislation, but to let us salvage some of our farms that are on the way out, those people who are constituents of mine, and yours around the table here. I mean, that is just the whole thing.

It is certainly nice to be here, and I appreciate the time.

Mr. GATHINGS. Mr. Abernethy.

Mr. ABERNETHY. Mr. Commissioner, I want to say I am certainly in sympathy with your views. I want to be sure however that I have not left with you the wrong impression.

No. 1, I am for this idea; I am for it strongly. I think it would be a great help to my own district and, after all, I like other Members am motivated principally by the interest of my own people.

Secondly, the reason I make the remarks that I do, I have recently distributed 5,000 copies of a newsletter in my district on the subject of surrender and redistribution. We have encouraged the county farm bureaus and others to hold county meetings to push the idea. I do not know whether they will do so or not, but I certainly hope they do.

We are trying to enlist the assistance of others in the counties in this campaign.

So, with that underway—we get the Birmingham News over in my district, you know, and it is one of my good papers. It is read in six or seven counties of my district.

I do not want, and I know you people do not want—news reports and other things to get in the way now and slow down this effort. I know that the surrender campaign offers the last opportunity for us to get our allotment acreage planted this year.

I think you agree with me.

Mr. BAMBERG. Right, and I say we are going back and we are going to put on a campaign in Alabama. And, incidentally, the Birmingham News will, I am sure, carry some of the information which we are going to try to get to the farmers.

I am simply saying this right here, that is a cumbersome way to get the cotton acres planted, just as cumbersome and impractical as anything I know of. And simply a leasing bill would keep the paid mourners out of our hair when it comes to getting cotton acres planted.

Mr. GATHINGS. Mr. Commissioner, thank you so much. And we appreciate also the remarks of Chairman Gilchrist with respect to the compensatory payment plan.

Mr. GILCHRIST. Mr. Chairman, Mr. Bamberg wants to change "junket" to "trip" on behalf of the Alabama farmers. [Laughter.]

Mr. Bamberg started to get up, and he looked around and saw the Department of Agriculture coming in, and he said, "My, I thought we had lost them yesterday." [Laughter.]

We will call on Senator Kendall, vice chairman of the Alabama Cotton Committee.

Mr. Kendall.

STATEMENT OF SENATOR BOB KENDALL, VICE CHAIRMAN, ALABAMA COTTON COMMITTEE

Senator KENDALL. Gentlemen and chairman of the committee, I would like you to indulge me about 3 minutes.

I want to say I agree with Mr. Abernethy. It is very important that, without any equivocation, the doubt that exists in the minds of the farmers now as to the possibility of transfer must be removed.

First, to get any relief, I think that the voluntary release privileges and the transfer privileges available to us under the law must be exercised, and to my way of thinking, there are two big problems in that.

In Mr. Heidelberg's testimony, he pointed out there is a possibility of cotton release to the county committee that was unplanted being lost permanently to the county. And secondly, there is a reluctance on the part of the individual to make the voluntary release.

In Alabama, in our various counties, as Commissioner Bamberg said, we plan to put on an educational campaign to try to get this thing underway as soon as possible. You know, in north Florida and in south Alabama, in fact, all the way across the Cotton Belt, we will be planting cotton in about 10 days.

In order to get any relief that will be effective, at least in the lower part of the belt, it must be speedy. So I would like to endorse Mr. Abernethy's statement that this thing should be cleared up in the public mind.

Now in regard to permanent transfer legislation along the lines of the Grant bill, I would like to say this: I believe that that holds the greatest promise for relief in our section of anything I have ever heard of, and I hope the committee will see fit later this year to enact that legislation for future crop years.

Thank you.

Mr. GATHINGS. Thank you very much, Senator Kendall.

Mr. GILCHRIST. Mr. Edward Mauldin.

STATEMENT OF EDWARD F. MAULDIN, TOWN CREEK, ALA.

Mr. GATHINGS. We have had Mr. Mauldin before our committee on a number of occasions. We welcome you to the committee room today, Mr. Mauldin.

You have always contributed a lot to our discussions previously, and it is a real pleasure to have you with us.

Mr. MAULDIN. Thank you, Mr. Chairman, you are mighty kind this morning. I certainly appreciate this opportunity to appear before this committee because no man thinks more highly than I do of the leadership and the ability which is furnished agriculture by this committee, many of whom are farmers in their own right.

I would like to mention, with your permission, that I have a statement from the Agricultural Council of Arkansas, which I left over in the Senate committee yesterday, which endorses this leasing within the counties. Mr. Harvey Adams of West Memphis, Ark., sent that statement up.

Mr. GATHINGS. Do I understand you would like to present Mr. Adams' paper for incorporation in the record?

Mr. MAULDIN. I would, sir.

Mr. GATHINGS. Without objection, it will go in at this point.

Mr. MAULDIN. And also, Tupelo, Miss., I have a statement from Sam Marshall endorsing this acreage within the county. With permission I would like to put that in. He is one of Mr. Abernethy's constituents, and I am sure he would have no objection.

Mr. ABERNETHY. None whatever. Any time my people get in the record I am for it.

(The letters referred to are as follows:)

WEST MEMPHIS, ARK., February 23, 1959.

Mr. ED MAULDIN,
Care of Senator John Sparkman,
Senate Office Building, Washington, D.C.

DEAR MR. MAULDIN: This is with reference to your telegram regarding leasing of cotton acreage.

American Cotton Producer Associates has not taken a position with respect to leasing cotton acreage; however, I believe most of the individual associations have and are in favor of it.

The Agricultural Council of Arkansas' Board of Directors voted in favor at their last meeting.

The only bill which I have a copy of is S. 545 introduced by Senators Jordan, Fulbright, Talmadge, Thurmond, and Kefauver.

Very truly yours,

HARVEY R. ADAMS,
Executive Vice President, Agricultural Council of Arkansas.

TUPELO, MISS., February 24, 1959.

ED S. MAULDIN,
Care Senator John Sparkman,
Senate Hearings on Cotton Acreage Transfer Within Counties,
Washington, D.C.

The need is great for the change in the law to permit acreage transfer between farmers within counties of State in Southeast. It will help move out some of the necessary adjustments and contribute to the more profitable production of cotton.

S. P. MARSHALL, Jr.

Mr. MAULDIN. I would like to make one suggestion in line with Mr. Abernethy's desire to settle this discussion, and I believe I have a

recommendation here as a means to settle this discussion, about whether it is going to be passed now, or whether it is not going to be passed now.

It seems to me that you can settle all this discussion, Mr. Abernethy, by passing it now, effective in 1960. I believe all the discussion will be terminated by that time.

Mr. ABERNETHY. I am for that if we can get the votes. I am willing to call the roll right now. I am ready.

Mr. MAULDIN. Well, that sounds mighty good. I sure was not enthused by your statement that you did not think it would ever be passed.

Mr. ABERNETHY. That might have been a slight exaggeration but, on the other hand, I do not think it is too much of an exaggeration with the sentiment that it is now in the Department and in this committee, based on the vote we had yesterday, which was a test vote on a much more minor bill.

I was tremendously discouraged. There is one thing about me, I like to be frank and fair with my people. I do not like to mislead them, nor do I like to butter them up just to ingratiate myself. I am just trying to be honest and frank and present the facts.

I am not going to stop working on the legislation even though I do not think the prospects are good.

Mr. COOLEY. You mean at this time?

Mr. ABERNETHY. I am speaking of this year.

Mr. COOLEY. Mr. Chairman, will you yield?

Mr. GATHINGS. I recognize the chairman.

Mr. COOLEY. I do not see anything so evil or unholy about this proposition.

Mr. ABERNETHY. I do not either.

Mr. COOLEY. They actually did it in tobacco, they permitted the leasing of tobacco allotments for 5 years before they stopped.

I was just telling Mr. Matthews the Department now has authority to permit the leasing of tobacco acreage from one farmer to another, and permit him to move it from one farm to another farm. And that is all you want to do in cotton, isn't it?

Mr. MAULDIN. That is all we are asking for, sir, to allow the free enterprise of negotiation between farmer and farmer—

Mr. COOLEY. The proposed legislation before us yesterday—you were not here—was to permit transfer or exchange of cotton acreage for rice acreage and vice versa.

Mr. ABERNETHY. Mr. Cooley, I think the same principle was involved yesterday, and the same objections. I am not criticizing anyone's vote.

Mr. COOLEY. The same objections?

Mr. ABERNETHY. The same objections that were offered to the bill yesterday are now offered to the bills of myself, Mr. Grant, and several others. The main objection that everyone offers to this bill is that it will increase the normal production of a control crop—that is, that which would normally be produced.

Off the record.

(Discussion off the record.)

Mr. POAGE. If I understand it, the argument the gentleman felt was so serious was that the Department said this would increase production, and everyone ran from it. Well, I think that Mr. Heidel-

berg pointed out very clearly that if we do not pass this we are going to increase production a great deal more than if we passed this legislation because, as he frankly pointed out, if you do not pass this bill, or something similar, I mean some program of transferring these acres, the law next year is going to transfer every one of these unused acres into high production areas.

Mr. ABERNETHY. How?

Mr. POAGE. Because of the history in the States in which these acres now exist. In Alabama, in eastern Texas—these acres have not been planted. They go to where history shows farmers have been planting the cotton, and that is to the plains of Texas, the irrigated valleys of the West and part of your State.

Mr. ABERNETHY. Well now, wait a minute.

Mr. POAGE. The high production areas are going to get every bit of acreage, and instead of having three-quarters of an acre production you are going to have 2½ bales production.

Mr. ABERNETHY. I will concede that some of it will, but I will not say it will transfer all of these acres. I will say it will transfer some in the breakdown of the national allotments to the States, since each State takes in relative proportion to that which it plants.

Now it will result in some transfer.

Mr. POAGE. You will move it to the high production areas?

Mr. ABERNETHY. Not all. He is right about that.

Mr. MAULDIN. Alabama has lost approximately 237,000 acres to other States. In addition to the reduction, the normal reduction of acreage, national reduction, we have lost 237,000 acres to other States, most of which are higher producing areas than Alabama.

I would like to mention on that, I think that is the meat in the coconut of the whole inequity in the whole farm program, right there, that you impose a law which sets out to reduce acreage, and then when the farmers reduce the acreage, and reduce it more than you tell them to reduce it, you penalize them for doing it.

Now Mr. Abernethy lives over close to us, and he has quite a reputation over there as a cotton Congressman and in other fields. But before that, he had a reputation as a prosecutor, and I understand he would prosecute everyone who was guilty, and convicted them all.

Mr. ABERNETHY. I sure did try.

Mr. MAULDIN. But I never heard any man make a charge that he attempted to have the penalty imposed on someone other than the one who was convicted.

But now in this cotton law you impose a penalty on the innocent.

Mr. ABERNETHY. Who?

Mr. MAULDIN. The law as it is administered.

Mr. ABERNETHY. You did not mean I did it?

Mr. MAULDIN. No, sir. I did not mean Mr. Abernethy did.

Mr. ABERNETHY. I am just one of the guilty culprits. [Laughter.]

Mr. MAULDIN. I would like to get back to the statement just for that purpose.

The real inconsistency is that the law, as administered, imposes a penalty for doing exactly what the law requires, and that is reducing planting.

Since 1953 planting has been reduced from 25 million acres plus to 16.3 million acres allotment for 1959. Yet, when the farmers in a

county and within a State, do what the law is attempting to do, reduce planting, and reduce it below their allotments, then that county and that State is penalized in future years.

Adding to the injury of the penalty which reduces future allotments of underplanted States, the law multiplies its own inconsistency by reassigning the acreage confiscated under the penalty to other States who came nearer planting their full allotments.

Mr. COOLEY. You mean confiscated merely because they failed to plant?

Mr. MAULDIN. That is right, confiscating due to underplanting their allotment.

Yet, Mr. Chairman, even, in my opinion, more un-American than these inconsistencies in the cotton laws as administered, is the feature which penalizes the innocent people in these areas.

Some of our finest barristers have told me that they know of no other law on the Federal statutes which imposes a penalty upon an individual not guilty of the violation.

Gentlemen, that is exactly what the cotton law is doing and what it has done for years.

Mr. ABERNETHY. Can I interrupt there to ask you a question?

Mr. MAULDIN. Yes, sir.

Mr. ABERNETHY. Last year we passed out of this committee, and the Congress passed, and the corn farmers adopted, a program which would permit the unlimited production of the planting of corn at a support price of not less than 65 percent of the average price, market price, for the preceding three marketing years.

Would that sort of a program be acceptable to Alabama cotton farmers?

Mr. MAULDIN. In my judgment it absolutely would not, Mr. Abernethy. In my judgment it would be a disservice to the Alabama cotton farmers to attempt in any way an abandonment of the parity principle.

I think that is an absolute abandonment of the parity principle.

Mr. ABERNETHY. I agree with that.

Mr. MAULDIN. I do not think any abandonment of the parity principle would be of service to any farmers in Alabama for any commodity.

Mr. ABERNETHY. Would you be willing to submit the issue to them, as was done in the corn program?

Mr. MAULDIN. I think it would certainly be desirable to submit it to them if you submitted it in a fair way, and did not submit it to them as any sort of a rigged pole, or that sort of thing.

If you submit it to them in a real question, where they would have a real choice, I certainly would be willing that that be done.

Mr. ABERNETHY. That is what the corn people had last year, they had a choice. They had a choice of that or the then current corn—

Mr. POAGE. Would the gentleman yield?

They did not have any real choice at all. They had a choice between the discredited program that had no effective controls in it whatsoever and a program that would give them a little higher support and give them the same results as controls.

Mr. ABERNETHY. There may be some question about the choice being much of a choice, but there was some sort of a choice submitted to them.

I want to ask a question to find out—you know we hear a lot about lifting controls, and every time our good friends come down from the Department, that is, those who sit in the high chairs down there, they talk about such but I never see a bill from down that way, or from any other sources, that would do that.

Mr. MAULDIN. Mr. Abernethy, I have never heard a man who is trying to make a living on a farm in Alabama, dependent upon the production of that farm for his income, for his livelihood, who was in favor of abandonment of the parity principle.

Mr. ABERNETHY. I have not found any either over my way.

Mr. MAULDIN. I do not believe there are any.

Getting back to this penalizing the innocent, when a State loses acreage, as a result of underplanting the allotments to the counties is reduced, and the counties in turn reduce the allotments to the individual farmers whether or not they are underplanted.

All the individuals within the county take a reduction. But, the reduction is imposed only upon those farmers with 10 acres of cotton or over. Because you have your 10-acre minimum law. Since Alabama has only 55 percent of its acreage on farms of 10 acres and over, you can see that all reductions must be imposed on just about half of the total acreage.

Alabama had 7.5 percent of the total national allotment in 1950 when the first recent allotment program was inaugurated. Now Alabama has approximately 6 percent of the total national allotment for a loss to other States of some 237,000 acres.

Mr. ABERNETHY. Well, we lost some of that as a result of special legislation that was passed in the 82d or 83d Congress, I believe, which gave our Western friends an extra allotment. Some of that loss was due to that legislation.

Mr. MAULDIN. That is right. And in these other States, Mr. Abernethy, the farmers who did not underplant, where the whole area did not underplant, their relative position has been improved because the acres taken from Alabama, whatever it was, due to underplanting, were reassigned to them, in the areas where there was no underplanting. So you have an altogether different situation from a man in an area where his neighbor is going to plant as opposed to a man in an area where all his neighbors plant to the limit.

It is very inconsistent in my opinion.

Mr. GATHINGS. I want to ask the gentleman now: Do you think it is a sin and outlandish for a man to own a big farm?

Mr. MAULDIN. No, sir; I certainly do not. I think it may be a liability, but I do not think it is a sin. [Laughter.]

Mr. GATHINGS. I wanted to say to the gentleman that the figures you give us, some 55 percent of the cottongrowers in the State of Alabama have over 10 acres allotted to them.

Mr. MAULDIN. That is right, 55 percent of the acreage is on farms with 10 acres or more.

Mr. GATHINGS. Fifty-five percent of the acres are on farms held by people who have a larger allotment than 10 acres?

Mr. MAULDIN. That is correct, sir.

Mr. GATHINGS. Well, now the propaganda that goes around this country is to the effect that a man who saves his money and acquires a larger farm is receiving the larger part of these benefits that accrue from the farm program. What we need is to sell the Nation that,

as a matter of fact, 20 percent of the total farmers in this Nation are producing 80 percent of the commodities that go on the table and are worn or used by the American people.

If we were to carry that argument out to its ultimate conclusion, it would mean that we would not have had any breakfast this morning at all, if we were going to say that just because a man has grown big he should not participate in a farm program to the same degree as his neighbor.

What is your view?

Mr. MAULDIN. Certainly I agree with that 100 percent. But let me say this to you, the reason in my opinion, and the reason the people have given me, why they cannot plant cotton in Alabama on these farms of 10 acres or less is because they started out maybe with 20 acres or more, and that was an economic unit for them. Whatever it was that they had originally they have been cut 50 percent.

If they started with 50, they have only 25; if they started with 20, they have only 10; and before you passed the minimum law at 10 acres, if they started with 10 they have only 5.

It has reduced their efficiency by that percentage, and therefore when you reduce the parity or the support price to 80 percent, and the production by 50 percent reduction, they are only getting 40 percent as much growth as they were. And that is the reason they have been forced out of business.

Mr. GATHINGS. Any further questions?

Mr. GRANT. Mr. Chairman, you were talking about a big farmer, the definition of a big farmer, and I think the correct definition of a big farmer is always a man who has a farm larger than yours.

Mr. HAGEN. I would like to clarify the record.

Under the current law, as I understand it, if a farmer does not plant his acreage his personal history is preserved; is that correct? Whether or not he does anything but only of notice or release.

Mr. ABERNETHY. Under the current—

Mr. HAGEN. For 1959?

So that the county has not lost any history, he has not lost any history, and the State has not lost any history.

Mr. ABERNETHY. Oh, yes; his history is preserved but the State allotment for next year and the county allotment will be based on actual plantings within the State and county.

Mr. HAGEN. Whether he has surrendered, or whether he refuses to surrender and does not plant?

Mr. ABERNETHY. If he surrenders the acreage and the acreage is planted then it becomes a part of the history upon which the State allotment is made.

Mr. HAGEN. But the only one not hurt directly is himself, he keeps his history?

Mr. ABERNETHY. He is hurt to the extent that he reduces the State and county allotment in proportion to his unplanted, which in turn will proportionately reduce his own allotment—unless it is a minimum of 10 acres.

Mr. HAGEN. I wanted to ask Mr. Mauldin a question. You referred to economic units here, you referred to 20 acres as an economic unit.

Now would you object to a ceiling in here, to wit, that the recipient of these leases could not thereby acquire more than 20 acres?

Mr. MAULDIN. I do not think that is necessary, and I do not think that you could justify putting a maximum like that on it. I think that the restriction of keeping it within the counties would take care of all the restrictions you need on a ceiling on the total that you could accumulate under leasing provisions.

I think that is enough ceiling.

Mr. POAGE. Would the gentleman let me reply to that question, if I could?

Mr. GATHINGS. Mr. Poage?

Mr. POAGE. I think there are two things to reply to there.

In the first place, the economic minimum varies considerably as to where you are. I mean, where 20 acres may be an adequate economic unit in your area, it may take 60 in some area to be an economic unit.

Mr. MAULDIN. And on individual farms, too.

Mr. POAGE. It varies on individual farms, too. I think a better limit on that is that which is in many of these bills that are before us, and that is on the percentage of land that is in cotton. Many of these bills have a proviso that you cannot lease this land, or buy these allotments, so as to increase the percentage of your total tilled acres to more than 60 percent, and others say 75 percent, of your total tilled acres.

Personally, I would even be willing to settle for 50 if you wanted to. But I think that is a much better approach—rather than the total acreage approach—the percentage of acres of your cultivated land.

Mr. MAULDIN. I understand Mr. Grant has that provision in his bill, or something that deals with that. And I agree with you, I think that is the only appropriate approach to take.

Mr. HAGEN. Of course one of the arguments that will be made against this bill is that it just permits the big farmers to get bigger and the small ones to go out of business. Actually a big farmer has more cropland to play with than a small farmer, so you are really penalizing the small farmer by these percentage of cropland limitations.

I would like to ask you one other question, or make a comment I should say.

Probably one reason this voluntary reapportionment does not work is that in effect a man who surrenders cuts his own throat because he thereby deteriorates his own supply situation for the time when he might want to get back in the business. And every cotton grower wants to get out from under quotas completely.

And that is perhaps one of the reasons why this voluntary surrender is not too attractive to a thinking farmer, because he realizes he is thereby increasing the production in the year he is not producing, and it makes his situation rougher the next time he wants to produce.

Mr. MAULDIN. That is true. But also, Mr. Hagen, getting back to your point of changing the size of a farm for this leasing measure, I think it would be a disservice to the small man who is not going to be able to realize anything out of his allotment unless you allow him to lease it. It would be a disservice to him not to allow him to lease it.

Now the man who needs to lease it is the man who is not going to be able to plant it because it is uneconomic due to the soil bank, and other reasons, he is financially not able to go into farming this year.

Next year, when he gets the Poage bill, the compensatory payment plan, enacted it may be more attractive, and he may be able to go back and farm. But why foreclose him now and not allow him to salvage anything out of his little allotment? You have already confiscated half of it. Why go ahead and take all of it away from him? Why not let him lease it, save it, perpetuate it until such time as you have more apt farm legislation, and then he can preserve his farm allotment and get back into business.

Mr. HAGEN. Following that same reasoning, you should let him sell it wherever he can, release it wherever he can, for the best price, which would be a national lease provision.

Mr. MAULDIN. Well, now, I think——

Mr. HAGEN. There would be more competition for his allotment and he presumably would get more money from it.

Mr. MAULDIN. The answer to that is, I think, not only is the farmer entitled to that, but I think the community and the county in which the history was created, and which historically served this country by the production of cotton when it was needed.

I think they are entitled to that cotton. The economy of that community is entitled to the wealth that would be created as a result of his planting. Therefore, I think that you should not be able to wholesale transfer it from one State into another.

Mr. GATHINGS. Even from one county to another?

Mr. MAULDIN. At this time I do not believe it would be wise to attempt it from one county to another. I think it should be within the community at least until you see how that works out.

Mr. GATHINGS. But you would not want it to go from State to State, sell your Alabama allotment to California or some other State?

Mr. MAULDIN. I do not believe that—California is getting along fast enough without it.

Mr. Gathings, you told me at one time it was the committee's prerogative to ask the questions in these hearings, but I noticed the other day in the testimony which I believe was submitted by the gentleman from the Department—that Mr. Bamberg referred to as the paid mourner—they said in essence that this cotton lease bill would do for the small farmer, for the farmers, and would improve their position, but from the Department's standpoint it was not practical because they did not like to administer it, it would create problems of administration.

Now my question is, Mr. Cooley; if I may direct it to you: Is the Department actually set up to serve the farmers in the agricultural industry, or are we, the farmers, supposed to serve them with our needs?

Mr. COOLEY. I think you know what the answer is yourself, as well as I do. They are supposed to serve agriculture, and they say they are, but sometimes we doubt it. I can see the argument that Mr. Benson puts up against this legislation, but I still think that perhaps we should make an effort to give it further consideration at the proper time and bring it up and pass it, and let him exercise the veto power if he wants to. That is something we cannot control anyway.

Mr. MATTHEWS. Mr. Chairman, may I make just one comment?

Has the Department of Agriculture reported on this particular legislation?

Mr. GATHINGS. Yes. Here is the report.

Mr. MATTHEWS. The same bill, the Grant bill, the Matthews bill and all of the——

Mr. GATHINGS. This is a report on H.R. 1811 introduced by the gentleman from Alabama, Mr. Grant.

Mr. MATTHEWS. It is an unfavorable report?

Mr. GATHINGS. It is an unfavorable report.

Mr. MATTHEWS. Mr. Chairman, the only other observation I should like to make is that my people are interested in this bill from the standpoint of Flue-cured tobacco in particular, and I would not be true to them if I did not plead with the chairman to have further hearings this year on this bill, and I know he will.

I realize, as the gentleman from Mississippi said, we cannot get it passed, but there is a tremendous interest, and I want to plead, Mr. Chairman, that we will have other hearings. But I wanted to get that on the record. My people are very much interested in this bill.

Mr. GATHINGS. What I want to say to the gentleman from Florida is that as far as I am concerned it would be a real pleasure to hear the tobacco farmers from your district, and we will set a certain date for them to be here. And I hope and trust that your observations, and those of my good friends from Mississippi, to the effect that by virtue of the fact the Department of Agriculture has submitted an adverse report on this legislation introduced by the gentleman from Alabama, Mr. Grant, that it would be difficult to get anything done. He may be right but my constituents in the First District of Arkansas sent me here to do the legislating, and until such time as we pursue the matter to the very last opportunity that we might have as legislators to enact a piece of legislation, I will say that we may even pass it on the floor of the House, pass the Senate, and put it on the President's desk, then until such time as the roll is called in the House on a veto override, I do not feel that I, as a legislator for my people, have fulfilled the obligation and trust that they have imposed in me.

Mr. ABERNETHY. Mr. Chairman, I would like to concur with what you have said. I think the wrong interpretation has been put on my statement. I think if the gentleman were called upon to express an opinion now as to the prospects of a particular piece of legislation he would probably have an opinion. I think any member of the committee would.

I certainly do not think it is a mistake to express an opinion as to the prospects of a piece of legislation, nor do I agree with my sub-committee chairman that so to do indicates any desire on the part of the gentleman from Mississippi who made the statement to give up the fight.

Mr. GATHINGS. You are right——

Mr. ABERNETHY. Let me get the record straight—I am going to try to pass the bill. Of course I am.

Mr. GATHINGS. I want to say for the gentleman from Mississippi that he fought, and fought hard, yesterday to get a similar provision passed in the committee. It was a simple bill. And the gentleman from Mississippi worked and argued to obtain favorable consideration irrespective of the fact there was an adverse report from the Department of Agriculture.

Mr. MAULDIN. Thank you.

Mr. GATHINGS. Just a minute, Mr. Pirnie wants to ask a question.

Mr. PIRNIE. In your closing remarks, you spoke about trying to preserve the historical status of your area in that field of economy, in agriculture.

Mr. MAULDIN. Yes, sir.

Mr. PIRNIE. In previous testimony there had been an indication that one of the changes that occurred, say in North Carolina, was in the industrial position of the——

Mr. MAULDIN. Yes.

Mr. PIRNIE. And it occurs to me, coming from a section of the country from which some of those mills moved, from the North to the South, that it is not possible to have your cake and eat it.

As I have understood it this agricultural program was designed to stabilize farming, to help agricultural economy so that it might preserve itself and be able to support the needs of this country and have a margin for doing so. The problem which seems to be bothering the subcommittee, and the whole committee actually, is whether or not this program is to become an asset that can be bartered and sold for individual gain, or whether it is an agricultural program for the whole country. That is what is bothering me.

I am interested in trying to make farming economically successful, and I am not anxious to have any area hurt. However, it seems to me that when it has been decided by the individual farmers that it is economically unwise to give up their jobs in the plants in order to go and produce cotton, that it is enough of a remedy for that to be returned for reallocation, without giving that man an asset that he can buy and sell for a profit.

Mr. MAULDIN. Well, Mr. Pirnie, I would like to comment on that. While it is true there has been some industrial growth in the South, I am sure there has been some industrial growth in your area, too.

Mr. PIRNIE. There has not, not in that field that came down. And I do not begrudge you that at all. If you can offer advantages that other people cannot give, then you are entitled to whatever benefits you can obtain.

Mr. MAULDIN. Well, the wholesale farm depression in Alabama has created a tremendous supply of unskilled labor, and that labor is a problem that keeps getting worse. In fact, the University of Alabama, in cooperation with the associate industry in Alabama, conducted a survey and published a booklet called Flight From Soil.

They asked a thousand people who went into industry, all over the State, why they went into industry and offered their services to the industrial market and left agriculture. Almost all the answers were economic.

Every answer that they gave, all of them were economic.

Mr. PIRNIE. Wasn't that the economics of your area? You are promoting that very thing, you are seeking to attract industry, offering them tax-free locations there. That is why they left my city to go down there, because of those advantages.

Mr. MAULDIN. We have wholesale unemployment as a result of the agricultural depression and we have hundreds of thousands of people in the State of Alabama who have been forced off the farm by this farm program. Naturally, we are going to try to seek other means of endeavor for them so they won't be 100 percent——

Mr. GATHINGS. Just a minute. Mr. Poage.

Mr. POAGE. Would you yield there?

It seems to me that what Mr. Pirnie has been inquiring about, and what you are telling us here about the situation, points up very clearly the importance, not only for the South, not only for rural areas, but for the whole Nation, of getting a program for agriculture that will increase the income of the agricultural people. Because without it we are continually developing this pool of cheap labor.

Now a pool of cheap labor is going to attract industry, and it is going to take it away from the industrialized areas and move it into areas that would rather remain agricultural.

Mr. MAULDIN. That is right.

Mr. POAGE. I would much prefer that my district remain an agricultural district than to see it transformed into an industrial district if our people could make a fair living from farming. Yet, when my people are forced off of the farm, as they are being, just as yours are, and when they offer their services in the cities day after day, then the industry in New York and New England looks down there and says, "Where can we reduce our costs? Why, we will move down here where these people have been forced off the cotton farms; we will move down and make millhands out of these cotton farmers."

And that is exactly what they are doing, and it is hurting not only our area, it is hurting not only Alabama and Texas, it is hurting New York and New England.

I would a whole lot rather you keep the industries in New York, Mr. Pirnie, and let us keep our people on the farm.

Mr. PIRNIE. So would I.

Mr. POAGE. I know you would.

Mr. PIRNIE. And I would like to stabilize the economy. And for the record, let me say I am on the Agriculture Committee and I am interested in agriculture, and I will work with you for any constructive program. But where I find myself out of sympathy is where we are putting a price on someone not engaging in farming. Now that is the only thing that really bothers me.

I will study carefully and try to see if we cannot work out a program that will maintain an agricultural economy in sufficient volume, but I just wanted to point out that which causes us a little concern.

Mr. GATHINGS. Thank you.

Mr. GRANT. I think, if you will pardon me one minute, you missed one point there. It is quite true that some industry would sell or transfer, but by reason of the recipient of this transfer it would keep him in the farming business and thus keep him and his family from having to leave the farm.

Mr. PIRNIE. I hope we could do it by reallocation, that is all, sir.

Mr. GATHINGS. Thank you so much, Mr. Mauldin.

(The prepared statement of Mr. Mauldin is as follows:)

STATEMENT OF E. F. MAULDIN, OF TOWN CREEK, ALA.

Mr. Chairman and gentlemen of the committee, no man thinks more highly than I do for the ability, the leadership, the sincerity, and the high purpose of the gentlemen of the Senate Agriculture Committee, many of whom are farmers in their own right. But different men often see the same subject in different lights, and therefore I hope I will not be thought disrespectful to these gentlemen when I speak forth my sentiments freely and without reserve.

Our cotton laws are a paradox of inequities, yes even paragons of inconsistencies as they have been administered. Cotton as an industry in America is on the brink of nationalization. Recent years have witnessed the demise of hundreds of efficient and industrious small cotton merchants all over Alabama who traditionally competed vigorously for the farmers cotton. Literally thousands of once sound economic farm units have seen their cotton acreage shrink by more than 50 percent under rigid allotment controls rendering these farms submarginal at 80 percent parity prices.

National controls over production are so rigid that even farmers who are no longer in a position to cultivate their smallest acreage in history are prohibited from leasing their allotments to neighbors for consolidation into more economic production units.

But the real inconsistency is that the law as administered imposes a penalty for doing exactly what the law requires, and that is reducing planting. The law has reduced national planting from over 25 million acres in 1953 to an allotment of 16.3 million acres for 1959. Yet when the farmers in a county and a State do what the law is attempting to do—reduce planting, and reduce it below their allotments—then that county and that State is penalized in future years. Adding to the injury of the penalty which reduces future allotments of underplanted States, the law multiplies its own inconsistency by reassigning the acreage confiscated under the penalty to other States who came nearer planting their full allotments.

Yet, Mr. Chairman, even more un-American, that these inconsistencies in the cotton laws as administered, is the feature which penalizes the innocent. Some of Alabama's finest barristers have told me that they know of no other law on the Federal statutes which imposes a penalty upon an individual not guilty of the violation. But, gentlemen, that is exactly what the cotton law is doing and has done for years. When a State loses acreage as a result of underplanting the allotments to the counties is reduced, and the counties in turn reduce the allotments to the individual farmers whether or not they underplanted. But the reduction is imposed only upon those farmers with 10 acres of cotton or over. Since Alabama has only 55 percent of its acreage on farms of 10 acres and over, you can see that all reductions must be imposed on just about one-half of the total acreage.

Alabama had 7.5 percent of the national allotment in 1950 when acreage controls began, but this scheme of penalties for underplanting has contributed to cutting Alabama's percentage of America's acreage to only 6 percent for a loss of 237,000 acres to other States much of which loss has been imposed upon full-time professional farmers depending upon the production of cotton for their livelihood, many of whom have never been underplanted. Yet farmers who did not underplant in other States have had their relative position improved because acreage confiscated from Alabama was assigned to them.

Such are the immoralities of the present law.

Gentlemen, Mr. Grant and others have come before you with a proposal to alleviate and correct some of the problems caused by this law. And the Grant acreage leasing measure is a most palatable measure because it injects some degree of flexibility into the present law without hurting anyone, it lets the injured have an opportunity to recoup his losses but at his own expense. It allows the small farmer who has been virtually put out of business by acreage confiscation, low prices, and the soil bank to have an opportunity to salvage something from what could well be an otherwise useless allotment.

Mr. Chairman, gentlemen of the committee, in conclusion please let me impress upon you the importance of this legislation to the agricultural economy of the Southeast, which could well prevent the loss of the creation of new wealth which would be produced on 100,000 acres of Alabama's cotton land. Other Southeastern States with small farms could be expected to be similarly affected.

In short, this provision permitting flexibility could well mean the difference as to whether the Southeast remains a cotton-producing area in future years.

Mr. GATHINGS. Chairman Gilchrist, I wonder how many witnesses you have?

Mr. GILCHRIST. I think only two, and then I am not sure they are going to speak. We are going to wind up within 10 minutes, Mr. Chairman, I think.

Mr. GATHINGS. We want to give everyone an opportunity, and that is the reason I asked the question. Because I have talked too much,

and I want every one of your witnesses to be heard. If you only have two, why don't we give them 5 minutes apiece and then we will have 5 minutes up here?

Mr. GRANT. Mr. Chairman, let me state this to Mr. Gilchrist, if you do not have all of them testify, introduce them to the committee.

Mr. GILCHRIST. We are privileged to have on our committee, and with us, the speaker of the house of representatives, Mr. Charley Adams, who has a statement from the Honorable John Patterson, Governor of our State, that he would like to have incorporated in the record, Mr. Chairman, with your permission.

Mr. GATHINGS. It will go in the record without objection at this point.

(The statement of the Honorable John Patterson, Governor of Alabama, is as follows:)

STATEMENT OF HON. JOHN PATTERSON, GOVERNOR OF ALABAMA

Mr. Chairman, Members of the House, and distinguished friends of cotton, it is a privilege for me, as Governor of Alabama, to bring before your committee facts concerning the cotton industry in our State.

The condition of the cotton industry has created apprehension in Alabama since 1955 when many producers, ginner, and cotton buyers sent a delegation to Washington to plead for Alabama cotton before Secretary Benson. The situation became so grave that a precedent in Alabama government was established when the legislature created in 1957 the Alabama Legislative Cotton Study Committee. This group, composed of members of both houses, held hearings in each congressional district in Alabama and has received testimony from over 1,500 persons whose very livelihood was being affected by the decline in the cotton economy in Alabama. A copy of the report of the Alabama Legislative Cotton Study Committee to the Congress of the United States is herewith submitted for your consideration. This report and surveys conducted by the Alabama Extension Service have revealed what in fact has been a startling decade of decline in the cotton industry in Alabama.

The extreme hardships to the individuals in our cotton economy cannot be adequately described with statistics. But the flight from the soil in Alabama, which has been caused by the deteriorating cotton economy, has indeed created many hardships and inequities which will have a residual adverse effect upon our State's economy for decades to come. For a specific illustration of the ravages wrought on Alabama farmers by this program I would like to make a brief comparison of the situation today in contrast to the picture of a decade ago.

In 1948 the cotton crop in Alabama brought our farmers in excess of \$184 million, but the annual income from cotton by 1958 had dropped to only \$76 million, or more than a 60 percent reduction. In 1949 Alabama planted to cotton 1,925,000 acres, but the 1959 allotment is only 985,191 acres. Alabama's relative position as a cotton producing area has been reduced since the first acreage allotments began in 1950 from 7½ percent of the national allotment to only 6 percent of the national allotment in 1959, a loss of 237,000 acres to other cotton producing States, many of which have per acre yields far in excess and in some cases twice that of Alabama.

Magnifying these inequities is the rigidity of the present program which prevents even the farmers who are no longer in an economic position to cultivate their smallest acreage in history from leasing their allotments to neighbors for consolidation into more economic production units.

Based on a survey conducted by agricultural experts in each of Alabama's 67 counties since the 1959 allotments were issued, it is felt that Alabama will lose the production on at least 100,000 acres of good cotton land. The impact of this loss may be best explained in terms of the \$15 million of new wealth which will not be created in the State of Alabama unless the Government cotton acreage leasing bill or some similar legislation is effected for 1959.

Consequently, we in Alabama feel that this cotton leasing measure may well be one of the most important bills to come before the Congress in 1959 in so far as the economy of the State of Alabama is concerned.

We are indebted to the leadership which has been furnished by the congressional delegation of Alabama in all our efforts seeking to restore a sound agricultural economy to our State. It is a pleasure for me as Governor of Alabama to have present before your committee members of our Legislative Cotton Study Committee, and I am sure that they will be pleased to answer any questions that you might have concerning the position of cotton in our State.

STATEMENT OF HON. CHARLES ADAMS, SPEAKER OF THE HOUSE OF REPRESENTATIVES, OF THE STATE OF ALABAMA

Mr. ADAMS. Mr. Chairman and gentlemen of the committee, I do not want to intrude on your time any more. I would like to express my personal appreciation and the appreciation of my people from Alabama for the interest you have demonstrated here today in the conditions of our farm people.

I would like to speak to you on behalf of the family type farm operation, as I know it in my home county and my home State. I think the gentlemen of the committee have expressed the concern for it.

I would like to express my appreciation again to you for the consideration that you have shown us here today.

And, Mr. Chairman, the clerk has a statement prepared by the Governor of Alabama, the Honorable John Patterson, that we would like to have incorporated in the record.

Mr. GATHINGS. Yes, it has gone in the record.

Thank you so much.

Mr. GILCHRIST. We have with us Senator Walter Givhan, a member of this committee, Mr. Chairman.

Mr. GRANT. If you will pardon me, sir, I might say Senator Givhan is also vice president of the Alabama Farm Bureau Federation.

Senator GIVHAN. Secretary and treasurer.

Mr. GRANT. Secretary and treasurer now; they have advanced you.

STATEMENT OF HON. WALTER GIVHAN, STATE SENATOR, STATE OF ALABAMA

Mr. GIVHAN. Mr. Chairman and gentlemen of the committee, I appreciate the opportunity of you all hearing our committee, our members here this morning, and I want to agree with you that I do not think the big farmers should be penalized for being big farmers. I am not a big farmer, but I think that if we did not have the protection of the big farmer food would be much higher for the industrial workers than it is now.

Mr. GATHINGS. There is no doubt about it.

Mr. GIVHAN. Secondly, I would like to endorse what, Mr. Heidelberg said here this morning. I think his testimony was well gotten up and was to the point, and I think he knows the cotton situation in the South, having worked with the National Cotton Council for a long time.

And I hope you gentlemen will go along in passing this leasing bill along the lines he indicated. Because I think his thoughts are well thought out and will be of great benefit to the South.

Thank you, sir.

Mr. GATHINGS. Thank you, Senator Givhan.

Mr. GILCHRIST. We are happy to have with us, too, Mr. Chairman, our new director of the Alabama Extension Service, Dr. York—if he would care to make a statement. We would like to introduce Dr. York.

**STATEMENT OF E. T. YORK, DIRECTOR OF EXTENSION SERVICE,
ALABAMA**

Mr. YORK. Gentlemen, I did not come up today to make a statement I came up just as an interested observer. My job is education, not legislation. However, I am very vitally concerned with any problem that affects the welfare of the cotton farmer in Alabama.

I would just like to quote one or two figures which I think bear very heavily on this problem, which will indicate, I think, certain trends that are taking place that influence, or are influencing, Alabama cotton farmers very greatly.

In the last 20 years the acre yield of cotton in Alabama has increased only about 50 pounds. The last figures that we have, in 1957, the acre yield was 346 pounds of lint cotton. Now if we contrast this to what has happened in California during the same period, we have seen yields go up there to 482 pounds, or in 1957 they were producing over two bales of lint cotton to the acre.

Now this, it seems to me, bears on the problem to a rather significant extent in this respect, that better than 40 percent of the total cotton allotments in Alabama, 46.4 to be exact, are less than 5 acres. Another 42 percent range between 5 and 15 acres. This means almost 90 percent of the allotments in Alabama are less than 15 acres.

Anyone who has ever grown cotton, and I have had that experience myself, in Mr. Cooley's district in North Carolina, knows that you cannot grow cotton efficiently, or I won't say you cannot, I will say it is extremely difficult, with allotments of 5 acres or less. You cannot set out to do a good job of growing cotton with such small allotments.

And I think this is one of the keys to why Alabama's production has remained as low as it has over the years.

It is not necessary to contrast these acreage figures with what we have in California and some of the other States that have been doing such a good job in production.

But this area of low production, it seems to me, is one of our key problems and if by shifting acreages—this is not my province, I assure you, but it seems to me this bears on the problem—if it is possible to get this acreage in the hands of larger growers who can produce more efficiently, then we stand a better chance of preserving our cotton future in the South.

What I am saying about Alabama will apply to North Carolina and a lot of other States.

I believe that is all.

Mr. GATHINGS. Mr. Hagen.

Mr. HAGEN. To just go a little further on that, if you advocate getting this acreage in the hands of larger growers there should be no geographic discrimination. That would be the logical conclusion of your proposition, and that would mean, if you are going to endorse this proposition, a national sale or lease of cotton acres.

Now to get back to another point, the Extension Service, as I understand it, encourages efficient production from the standpoint of

methods and size of farm units. And if by the rules of modern technology in cotton production a farmer can no longer operate efficiently, you are violating all the rules of economics by trying to keep him in business.

And we are not doing him a service, and we are not doing the industry that he is in a service.

Mr. YORK. I think what is happening, Mr. Hagen, on a lot of these small farms with small allotments, the farmers have found that they cannot make a profit on growing a half a bale of cotton. That is why they are not growing it, that is why this problem has developed.

With reference to your first point, other areas such as California do not have the problems of the small allotments that we have, where we have 46.4 percent of the allotments less than 5 acres and where California has only 6.5 percent.

So in principle perhaps what you say is true, but in actuality it applies, I think, more specifically to our section of the country.

Mr. HAGEN. Of course they have the same problem in a different guise. I mean, maybe a small farmer in California hasn't 5 acres, but 60 acres, but because of the investment in land, the investment in irrigation systems they have to make actually their net profit may not be any larger per bale than the fellow with the 5 acres.

And I regret the Agriculture Department has never developed any cost figures on the production of cotton for all cotton areas. But our farmers are hurt by these quotas, too. They would hope to get out from under them, and that is why they oppose any proposal which perpetuates quotas.

Mr. YORK. I would like to emphasize I am not suggesting we get the little farmer out of the cotton business; I am saying that many of them have found it is not profitable to try to grow cotton at the level they are producing and consequently they are already out, and the question is, How can we utilize this acreage efficiently?

Mr. GATHINGS. Thank you.

Mr. GILCHRIST. Mr. Chairman, I would like the record to show, please, sir, we have with us our Democratic executive committeeman from Alabama, Mr. Charles McKay. We are glad to have him with us.

Mr. GATHINGS. Would you like to have a word to say to us, Mr. McKay?

STATEMENT OF CHARLES MCKAY, DEMOCRATIC NATIONAL COMMITTEEMAN FROM ALABAMA

Mr. MCKAY. Just that I enjoy being with you.

Mr. GILCHRIST. Thank you, Mr. Chairman.

Let me say in closing we certainly are appreciative of the time you have given us, and this committee feels a very close relationship with the chairman in his friendship with our Lieutenant Governor. You all have been mighty kind, and we feel the situation is in good hands.

We do need action. Summing up, I think in about two sentences, our request is not to give the farmer a living, but give him an opportunity in these established agricultural communities to earn a living.

We have hundreds and hundreds of small communities with no industry dependent on a volume income from the cotton dollar as the

sole means of survival. In this legislation we ask for an attempt to keep that income in that community. That is the reason we have recommended it be on a county basis. We are opposed to the outright sale of the allotment because we feel mainly it would tend to perpetuate the present program, and we feel that the true answer lies in the adoption of the Poage bill or similar legislation.

Again we thank you very much and we appreciate being here.

Mr. GATHINGS. We would like the record to show Mr. Layman is with us again. We are proud he came up. I wonder if you would like to have a word to say?

STATEMENT OF H. M. LAYMAN, DECATUR, ALA.

Mr. LAYMAN. Mr. Chairman, these distinguished gentlemen here from Alabama have done an excellent job. I would like the record to show, though, as always, it has been a pleasure to be here and we do deeply appreciate the kindness and courtesy of the committee.

Mr. GATHINGS. Thank you, Mr. Layman.

Mr. Huddleston is with us, and other members, Mr. Selden, Mr. Elliott, and Mr. Roberts.

Mr. GRANT. I would like the record to show, please, Mr. Chairman, that Mr. Huddleston, Mr. Roberts, Mr. Selden and Mr. Elliott attended the meeting, and I believe that all of these gentlemen and probably some of the other members from Alabama have filed a bill similar to the ones under discussion here. Congressman Jones is on official business out of the city, as is Congressman Raines, Congressman Andrews, and Congressman Boykin.

However, Congressman Jones, Raines, Andrews, and Boykin are represented by their secretaries.

Mr. GATHINGS. And they may file statements, if they so desire, without objection.

Any further testimony? If not, we will stand adjourned.

(Whereupon, at 12 o'clock meridian the subcommittee adjourned, subject to call of the Chair.)

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LEGISLATIVE HISTORY

Public Law 86-172
S. 1455

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Index and summary of S. 14551
Digest of Public Law 86-172.2

INDEX AND SUMMARY OF S. 1455

Mar. 16, 1959	Sen. Ellender (by request) introduced S. 1418 which was referred to the Senate Agriculture and Forestry Committee. Print of bill as introduced.
Mar. 17, 1959	Rep. Cooley introduced H. R. 5741 which was referred to the House Agriculture Committee. Print of bill as introduced.
Mar. 18, 1959	S. 1455 (an original bill) was reported by the Senate Agriculture and Forestry Committee. S. Report No. 115. Print of bill and report.
Apr. 10, 1959	Senate passed over S. 1455 at the request of Sen. Johnson.
Apr. 15, 1959	Senate passed S. 1455 without amendment.
Apr. 16, 1959	S. 1455 was referred to the House Agriculture Committee. Print of bill as referred.
June 15, 1959	H. R. 7740 was introduced by Rep. Cooley and was referred to the House Agriculture Committee. Print of bill as introduced.
July 23, 1959	House committee voted to report H. R. 7740.
July 28, 1959	House committee reported H. R. 7740 with amendments. H. Report No. 728. Print of bill and report.
Aug. 3, 1959	House debated H. R. 7740 under suspension of the rules.
Aug. 5, 1959	House passed S. 1455 with amendment, in lieu of H. R. 7740. House previously passed H. R. 7740 under suspension of the rules; then vacated action. H. R. 7740 laid on table due to passage of S. 1455.
Aug. 6, 1959	Senate concurred in House amendment to S. 1455.
Aug. 18, 1959	Approved: Public Law 86-172.

Hearings: House Agriculture Committee:
1. H. R. 679, etc. on Feb. 17, 1959, Serial E.
2. H. R. 308, etc. on Feb. 26, 1959, Serial I.

DIGEST OF PUBLIC LAW 86-172

PRESERVATION OF ACREAGE ALLOTMENT HISTORIES. Provides that, beginning with the 1960 crops, full farm allotments for wheat, cotton, peanuts, rice, and tobacco will be considered as planted if in the year then current or in either of the two preceding years the acreage planted (excluding released or reapportioned allotments), or regarded as planted to the commodity under the Soil Bank Act of the Great Plains Program, is not less than 75 percent of the farm allotment. Acreage history credited to the farm under this provision will also be credited to the county and State for purposes of establishing future State and county allotments. Allows cotton farmers to protect their allotment status by meeting each year prescribed requirements as to the planting and releasing of allotments. Provides that if some cotton is planted on a farm (including acreage considered as planted to cotton under the Soil Bank Act or Great Plains program) one year in each three-year period, the farm history can be fully protected by releasing the unused farm allotment each year. Modifies present law which guaranteed each eligible cotton farm which had an allotment less than 10 acres in 1958 a future allotment each year of not less than such 1958 allotment, unless the small cotton farm operator each year meets the requirements as to planting and releasing cotton allotments the same as the larger farms.

86TH CONGRESS
1ST SESSION

S. 1418

IN THE SENATE OF THE UNITED STATES

MARCH 16, 1959

Mr. ELLENDER (by request) introduced the following bill; which was read twice
and referred to the Committee on Agriculture and Forestry

A BILL

To amend section 377 of the Agricultural Adjustment Act of 1938, as amended, to provide for the extension of the automatic preservation of acreage history provision, with certain modifications.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 377 of the Agricultural Adjustment Act of
4 1938, as amended, is amended to read as follows:

5 “SEC. 377. In any case in which, during any year be-
6 ginning with 1956, the acreage planted to a commodity on
7 any farm is less than the acreage allotment for such farm, the
8 entire acreage allotment for such farm (excluding any allot-
9 ment released from the farm or reapportioned to the farm

1 and any allotment provided for the farm pursuant to sub-
2 section (f) (7) (A) of section 344) shall, except as pro-
3 vided herein, be considered for the purpose of establishing
4 future State, county, and farm acreage allotments to have
5 been planted to such commodity in such year on such farm,
6 but the 1956 acreage allotment of any commodity shall be
7 regarded as planted under this section only if the owner or
8 operator on such farm notified the county committee prior
9 to the sixtieth day preceding the beginning of the marketing
10 year for such commodity of his desire to preserve such
11 allotment: *Provided*, That beginning with the 1960 crop,
12 the current farm acreage allotment established for a com-
13 modity shall not be preserved as history acreage pursuant to
14 the provisions of this section unless for the current year or
15 either of the two preceding years an acreage equal to 75
16 per centum or more of the farm acreage allotment for such
17 year was actually planted or devoted to the commodity on
18 the farm (or was regarded as planted under provisions of the
19 Soil Bank Act or the Great Plains program): *Provided*
20 *further*, That this section shall not be applicable in any case,
21 within the period 1956 to 1959, in which the amount of the
22 commodity required to be stored to postpone or avoid pay-
23 ment of penalty has been reduced because the allotment was
24 not fully planted. Acreage history credits for released or
25 reapportioned acreage shall be governed by the applicable

1 provisions of this title pertaining to the release and reappor-
2 tionment of acreage allotments.”

3 SEC. 2. Subsection (g) (3) of section 344 of the Agri-
4 cultural Adjustment Act of 1938, as amended, is hereby
5 repealed.

A BILL

To amend section 377 of the Agricultural Adjustment Act of 1938, as amended, to provide for the extension of the automatic preservation of acreage history provision, with certain modifications.

By Mr. ELLENDER

MARCH 16, 1959

Read twice and referred to the Committee on
Agriculture and Forestry

86TH CONGRESS
1ST SESSION

H. R. 5741

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 1959

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend section 377 of the Agricultural Adjustment Act of 1938, as amended, to provide for the extension of the automatic preservation of acreage history provision, with certain modifications.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 377 of the Agricultural Adjustment Act of
4 1938, as amended, is amended to read as follows:

5 “SEC. 377. In any case in which, during any year be-
6 ginning with 1956, the acreage planted to a commodity on
7 any farm is less than the acreage allotment for such farm,
8 the entire acreage allotment for such farm (excluding any
9 allotment released from the farm or reapportioned to the

1 farm and any allotment provided for the farm pursuant to
2 subsection (f) (7) (A) of section 344) shall, except as
3 provided herein, be considered for the purpose of establish-
4 ing future State, county and farm acreage allotments to have
5 been planted to such commodity in such year on such farm,
6 but the 1956 acreage allotment of any commodity shall be
7 regarded as planted under this section only if the owner or
8 operator on such farm notified the county committee prior
9 to the sixtieth day preceding the beginning of the marketing
10 year for such commodity of his desire to preserve such allot-
11 ment: *Provided*, That beginning with the 1960 crop, the
12 current farm acreage allotment established for a commodity
13 shall not be preserved as history acreage pursuant to the
14 provisions of this section unless for the current year or either
15 of the two preceding years an acreage equal to 75 per
16 centum or more of the farm acreage allotment for such year
17 was actually planted or devoted to the commodity on the
18 farm (or was regarded as planted under provisions of the
19 Soil Bank Act or the Great Plains program) : *Provided*
20 *further*, That this section shall not be applicable in any case,
21 within the period 1956 to 1959, in which the amount of the
22 commodity required to be stored to postpone or avoid pay-
23 ment of penalty has been reduced because the allotment
24 was not fully planted. Acreage history credits for released
25 or reapportioned acreage shall be governed by the applicable

1 provisions of this title pertaining to the release and reappor-
2 tionment of acreage allotments.”

3 SEC. 2. Subsection (g) (3) of section 344 of the
4 Agricultural Adjustment Act of 1938, as amended, is hereby
5 repealed.

86TH CONGRESS
1ST SESSION

H. R. 5741

A BILL

To amend section 377 of the Agricultural Adjustment Act of 1938, as amended, to provide for the extension of the automatic preservation of acreage history provision, with certain modifications.

By Mr. COOLEY

MARCH 17, 1959

Referred to the Committee on Agriculture

A BILL

for the relief of the people of the State of California, and for other purposes.

Enacted at the City of Washington, this 1st day of March, 1907.

WILLIAM H. HARRIS, Speaker of the House of Representatives.

Approved by the Senate and House of Representatives of the United States of America, this 1st day of March, 1907.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate committee reported bill to authorize rental of cotton acreage allotments. Senate committee reported area redevelopment bill. Rep. Roosevelt urged approval of legislation to expand special milk program. House committee ordered reported bill to give REA independent status. Rep. Reuss introduced and discussed bill to transfer Public Law 480 functions to State Dept. Sen. Fulbright introduced and discussed administration's mutual security bill.

HOUSE

1. ELECTRIFICATION. The Government Operations Committee ordered reported with amendment H. R. 1321, to amend Reorganization Plan No. 2 of 1953 regarding REA. p. D180
2. SCHOOL MILK. Rep. Roosevelt urged the House to approve additional funds for the special milk program. p. 4062
3. PRICES; INFLATION. Rep. Patman criticized the Federal Reserve System for instituting a tight money policy during a period of "administered prices," stating that tight money decreases classical inflation but is "not effective in checking price increases of this kind," and inserted several articles on the subject. p. 4077-9

4. FORESTS. The Interior and Insular Affairs Committee ordered reported with amendment H. R. 2497, to add certain lands located in Idaho to the Boise and Payette National Forests. p. D180
5. MILITARY CONSTRUCTION. The Armed Services Committee reported with amendment, H. R. 5674, to authorize certain construction at military installations including authorization to use foreign currencies under Public Law 480 for foreign military housing (H. Rept. 223). p. 4080
6. POSTAL RATES. The Postal Operations Subcommittee of the Post Office and Civil Service Committee ordered reported to the full committee with amendment H. R. 4595, to clarify and make uniform certain provisions of law relating to special postage rates for educational, cultural, and library materials. p. D181
7. WATER. Received from the Colorado Legislature a memorial urging the preservation and safeguarding of established state and individual rights regarding the use of water within the separate States. p. 4082

SENATE

8. COTTON ALLOTMENTS. The Agriculture and Forestry Committee reported an original bill, S. 1455, to authorize the rental of cotton acreage allotments (S. Rept. 115). p. 3943
9. AREA REDEVELOPMENT. The Banking and Currency Committee reported with amendments S. 722, to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in economically depressed areas (S. Rept. 110). p. 3943
10. MONOPOLIES. Passed as reported S. 726, to amend the Clayton Act so as to provide for more expeditious enforcement of cease and desist orders. pp. 4004-06
11. EXPENDITURES. Sen. Langer inserted a bulletin, "The Growth of Social Welfare Expenditures Under Federal Programs." pp. 3996-8
12. ECONOMIC CONDITIONS. Sen. Gore and others discussed "the serious economic problems with which our country is faced," including comments on interest rates on REA loans and the farm income situation. pp. 3980-91
13. FOREIGN AID. Sen. Mansfield stated that Congress should "take a very careful look" at the President's proposed mutual security program. pp. 4025-6
14. SOIL BANK. Received from this Department a report on the 1958 soil bank conservation reserve program. p. 3935
Received a local Farmers Union resolution urging that the actual production per acre over the last 10 years be used as a basis for county records to determine allotments and conservation reserve payments. p. 3942
15. FARM LOANS. Received from the Farm Credit Administration two proposed bills to: "Amend the Federal Farm Loan Act to transfer responsibility for making appraisals from the Farm Credit Administration to the Federal land banks" and "clarify the status of the Federal land banks, the Federal intermediate credit banks, and the banks for cooperatives and their officers and employees with respect to certain laws applicable generally to the United States and its officers and employees"; to Agriculture and Forestry Committee. p. 3935

LEASE OF UPLAND COTTON ACREAGE ALLOTMENTS

MARCH 18, 1959.—Ordered to be printed

Mr. JORDAN, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 1455]

The Committee on Agriculture and Forestry reported an original bill (S. 1455), to authorize the rental of cotton acreage allotments, with a recommendation that it do pass.

This bill authorizes 1-year leases of upland cotton acreage allotments from farms having allotments of 10 acres or less to other farms in the same county if the combined allotments will not exceed 50 acres. A full explanation of the bill is contained in the subcommittee report incorporated herein.

This committee had before it S. 58, introduced by Senators Sparkman, Hill, and Johnston; S. 545, introduced by Senators Jordan, Fulbright, Talmadge, Thurmond, and Kefauver; S. 569, introduced by Senator Stennis; and S. 889, introduced by Senator Eastland. The committee bill is identical to S. 545, except for minor technical corrections and the following:

(1) Paragraph (1) has been expanded to provide the 10-acre and 50-acre limitations referred to above, and to make it clear that the election of choice (B) under section 102 of the Agricultural Act of 1949 by the operator of the farm from which an allotment is transferred shall be disregarded and the transferred allotment will be subject to whichever of choice (A) or choice (B) is applicable to other allotments on the farm on which it is used.

(2) Paragraph (6) has been added to require retirement from the production of tilled crops of an acreage equal to the allotment transferred by lease from any farm.

[Report of Subcommittee No. 3, Senate Committee on Agriculture and Forestry]

The Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices report an original bill with a recommendation that it be reported to the Senate.

The subcommittee had before it S. 58, introduced by Senators Sparkman, Hill, and Johnston; S. 545, introduced by Senators Jordan, Fulbright, Talmadge, Thurmond, and Kefauver; S. 569, introduced by Senator Stennis; and S. 889 introduced by Senator Eastland. The first three of these bills provided for the leasing of acreage allotments and are generally similar in their terms, although S. 58 and S. 569 were applicable to all commodities subject to allotment, while S. 545 was limited to upland cotton. The fourth bill, S. 889 provided for the exchange of rice acreage allotments for cotton acreage allotments.

Hearings were held on February 25, 1959, and authority for the leasing of cotton acreage allotments was favored by all witnesses, except those from the Department of Agriculture.

Arguments advanced in support of the bills were as follows:

1. Small cotton farmers participated in great numbers in the acreage reserve program and substantially retired from cotton production. They are now not in a position to plant and will receive little or no benefit from their allotments unless this legislation is passed. Passage of this legislation would permit them an adjustment period until they could get back into cotton production.

2. Transfer of allotments will permit lessees to operate economic units, and thereby enable them to obtain credit, buy machinery, and modernize their farm practices.

3. Allotments are now rented in effect, but the lessee must grow the cotton on the farm to which the allotment was made. It would be more efficient and reasonable to permit the lessee to consolidate the allotments on one farm.

4. Transfer of allotments from one farm to another is now permitted in certain cases as (a) where farms are in the same ownership (or 3-year lease) and are close together, or (b) where allotments are surrendered and reapportioned. Direct transfers as provided by these bills would be less complicated and more fair.

5. Transfer is necessary to assure that the cotton is planted, so that the county and State will maintain the income from cotton and the cotton history needed for future allotments. Ginners, bankers, tradesmen, oil mills, and others are affected by loss of cotton production.

The principal argument in opposition to the bills was that production of commodities already in surplus would be increased since fewer allotments would go unplanted and since the consolidation of allotments into economic units would result in higher yields. The subcommittee felt that the increased production which might flow from efficient production did not justify the maintenance of uneconomic allotments.

The subcommittee bill is limited to upland cotton and provides authority for 1-year leases of allotments for use on other farms within the same county. Since this legislation is designed to meet the problems of farmers who have uneconomic allotments, allotments may be leased only from farms with allotments of 10 acres or less, and may not be used on any farm on which the total allotment would then exceed 50 acres. Any increases resulting from the election of choice (b) under section 102 of the Agricultural Act of 1949 would be disregarded in applying these limitations. The election of choice (a) or choice (b) by the operator of the farm on which the leased allotment is used would be applicable to all allotments owned or rented by him, without regard to any election which may have been made by the

operator of the farm from which the allotment was rented. This would prevent the confusion which might arise if both choice (a) and choice (b) cotton were grown on the same farm.

For the purposes of future State, county, and farm allotments, acreage history would be credited to the farm from which the allotment was rented just as though it had been planted.

Allotments rented under the bill would be adjusted to compensate for differences in normal yield between the farms involved.

Paragraph (6) of the bill requires the farm from which an allotment is leased to reduce its acreage of crops requiring annual tillage by an acreage equal to the acreage allotment transferred. This provision would be enforced by civil penalty equal to 150 percent of the rental for the allotment. Any increase in cotton production resulting from efficiencies permitted by the bill would therefore tend to be offset by the overall reductions in production resulting from the removal of acreage from the production of cultivated crops.

The bill would be applicable only to the crop years 1959, 1960, and 1961, so that Congress can see how it works before adopting it permanently.

OLIN D. JOHNSTON, *Chairman.*

SPESSARD L. HOLLAND.

HUBERT H. HUMPHREY.

WILLIAM PROXMIRE.

B. EVERETT JORDAN.

GEORGE D. AIKEN.

MILTON R. YOUNG.

KARL E. MUNDT.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 24, 1959.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of January 22, 1959, for a report on S. 545, a bill to authorize the transfer and consolidation of rented cotton acreage allotments.

This Department does not favor the enactment of S. 545.

The bill provides that the owner or operator of a farm having an upland cotton allotment may rent all or any portion of such allotment to any other owner or operator of a farm for use in the same county. It provides for annual leases which can be renewed each year. A copy of the written agreement must be filed with the county committee. The rental of allotment does not affect the history acreage of either the farm from which it is leased or the farm to which it is transferred. The amount of the acreage allotment leased is considered for purposes of future State, county, and farm allotments to have been planted on the farm from which rented. Farm normal yields would be established for the farms from which leased and to which transferred. Any farm allotment leased would be multiplied by the per centum which the yield of the farm from which it was leased is of the normal yield of the farm to which the allotment is transferred. This would have the effect of adjusting the allotment acreage which can be planted by

the lessee up or down depending upon the farm normal yields involved. This bill would be in effect only for 1959, 1960, and 1961.

Subsection (m)(2) of the Agricultural Adjustment Act of 1938, as amended, provides for release to the county committee of unused and unwanted farm cotton acreage allotments for reapportionment by the county committee to other farms in the county under criteria contained therein. Section 102 of the Agricultural Act of 1949 prohibits the release of cotton allotment from any farm for which the choice (B) allotment is applicable. Section 115 of the Soil Bank Act prohibits the reapportionment of allotments diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation research program. This bill provides another method of transferring allotments among farms which could result in some transfers for payments and other transfers in the same county without payment. Cotton is in surplus supply. The enactment of this bill would increase the supply of cotton and thereby increase the cost to the Government of providing price support for cotton.

The lessees of cotton allotments would generally be more efficient farmers and would plant a larger percentage of the allotments than would be planted if the leasing and transfer of allotments is not permitted. Also, as long as allotment history can be automatically preserved under section 377 of the act many producers who do not want to plant cotton or to plant the entire allotment will not release the allotment in which case an acreage equal to the entire allotment will be considered under section 377 of the act to have been planted to cotton. It is believed that the payment incentive for leasing such allotment would cause many more transfers of allotment than result from the release and reapportionment provisions of the act.

If enacted, this bill would tend to concentrate production of cotton in the hands of larger operators which is contrary to the philosophy of other existing legislation which provides for minimum farm cotton acreage allotments.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

ACREAGE ALLOTMENTS

SEC. 344. (a) Whenever a national marketing quota is proclaimed under section 342, the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calendar year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cot-

ton for the four years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota.

(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period: *Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1): *Provided*, That there is hereby established a national acreage reserve consisting of three hundred and ten thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres). For the 1960 and succeeding crops of cotton, the needs of States (other than Nevada) for such additional acreage for such purpose may be estimated by the Secretary, after taking into consideration such needs as determined or estimated for the preceding crop of cotton and the size of the national acreage allotment for such crop. The additional acreage so apportioned to the State shall be apportioned to the counties on the basis of the needs of the counties for such additional acreage for such purpose, and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing provisions and under the last proviso in subsection (e) shall be determined or estimated as though allotments were first computed without regard to subsection (f) (1).

(c) (Applicable only to the 1950 and 1951 crops of cotton.)

(d) (Applicable only to the 1952 crop of cotton.)

(e) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (c), and (d) of this section: *Provided*, That the State committee may reserve not to exceed 10 per centum of its State acreage allotment (15 per centum if the State's 1948 planted acreage was in excess of one million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship: *Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f)(1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f)(1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages). *Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined or estimated by the Secretary for establishing minimum farm allotments for the State under subsection (f)(1), the acreage reserved under this subsection shall not be less than the smaller of (1) the remaining acreage so determined or estimated to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which is required to be reserved under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f)(1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).

(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, Seventy-ninth Congress) in any one of the three years immediately preceding the year for which such allotment is determined on the following basis:

(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) ten acres; or (B) the acreage allotment established for the farm for the 1958 crop.

(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so

that the allotment to each farm under this paragraph together with the amount of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) to cotton during any of the preceding three years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) in any such year.*

(3) The county committee may reserve not in excess of 15 per centum of the county allotment (15 per centum if the State's 1948 planted cotton acreage was in excess of one million acres and less than half its 1943 allotment) which, in addition to the acreage made available under the proviso in subsection (c), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms, or in making adjustments in farm acreage allotments to correct inequities and to prevent hardships: *Provided, That not less than 20 per centum of the acreage reserve under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment, has been made under subsection (f)(1)(B)), if any, to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection.*

(4) (Applicable only to the 1950 crop of cotton.)

(5) (Applicable only to the 1950 crop of cotton.)

(6) Notwithstanding the provisions of paragraph (2) of the subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1)(B) of this sub-

section so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1)(A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein. If the county acreage allotment is apportioned among the farms of the county in accordance with the provisions of this paragraph, the acreage reserved under paragraph (3) of this subsection may be used to make adjustments so as to establish allotments which are fair and reasonable to farms receiving allotments under this paragraph in relation to the factors set forth in paragraph (3).

(7) (A) in the event that any farm acreage allotment is less than that prescribed by paragraph (1), such acreage allotment shall be increased to the acreage prescribed by paragraph (1). The additional acreage required to be allotted to farms under this paragraph shall be in addition to the county, State, and national acreage allotments and the production from such acreage shall be in addition to the national marketing quota.

(B) Notwithstanding any other provision of law—

(i) the acreage by which any farm acreage allotment for 1959 or any subsequent crop established under paragraph (1) exceeds the acreage which would have been allotted to such farm if its allotment had been computed on the basis of the same percentage factor applied to other farms in the county under paragraph (2), (6), or (8) shall not be taken into account in establishing the acreage allotment for such farm for any crop for which acreage is allotted to such farm under paragraph (2), (6), or (8); and acreage shall be allotted under paragraph (2), (6), or (8) to farms which did not receive 1958 crop allotments in excess of ten acres if and only if the Secretary determines (after considering the allotments to other farms in the county for such crop compared with their 1958 allotments and other relevant factors) that equity and justice require the allotment of additional acreage to such farm under paragraph (2), (6), or (8).

(ii) the acreage by which any county acreage allotment for 1959 or any subsequent crop is increased from the national or State reserve on the basis of its needs for additional acreage for establishing minimum farm allotments

shall not be taken into account in establishing future county acreage allotments, and

(iii) the additional acreage allotted pursuant to subparagraph (A) of this paragraph (7) shall not be taken into account in establishing future State, county, or farm acreage allotments.

(8) Notwithstanding the foregoing provisions of paragraphs (2) and (6) of this subsection, the Secretary may, if he determines that such action will facilitate the effective administration of the provisions of the Act, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportionment is made, adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes.

(g) Notwithstanding the foregoing provisions of this section—

(1) State, county, and farm acreage allotments and yields for cotton shall be established in conformity with Public Law 28, Eighty-first Congress.

(2) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

(3) For any farm on which the acreage planted to cotton in any year is less than the farm acreage allotment for such year by not more than the larger of 10 per centum of the allotment or one acre, an acreage equal to the farm acreage allotment shall be deemed to be the acreage planted to cotton on such farm, and the additional acreage added to the cotton acreage history for the farm shall be added to the cotton acreage history for the county and State.

(h) (Repealed by Public Law 85-835 (72 Stat. 996), August 28, 1958.)

(i) Notwithstanding any other provision of this Act, any acreage planted to cotton in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments.

(j) Notwithstanding any other provision of this Act, State and county committees shall make available for inspection by owners or operators of farms receiving cotton acreage allotments all records pertaining to cotton acreage allotments and marketing quotas.

(k) Notwithstanding any other provision of this section except subsection (g)(1), there shall be allotted to each State for which an allotment is made under this section not less than the smaller of (A) four thousand acres or (B) the highest acreage planted to cotton in any one of the three calendar years immediately preceding the year for which the allotment is made.

(l) (This subsection relating to war crops under Public Law 12, Seventy-ninth Congress, does not apply to the 1955 and succeeding crops of cotton.)

(m) Notwithstanding any other provision of law—

(1) (Applicable only to 1954 crop of cotton.)

(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (c) of this section; but no such acreage shall be surrendered to the State committee so long as any farmer receiving a cotton acreage allotment in such county desires additional cotton acreage. Any allotment transferred under this provision shall be regarded for the purposes of subsection (f) of this section as having been planted on the farm from which transferred rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: Provided, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this paragraph, and planted shall be credited to the State and county in determining future acreage allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act.

(3) (Applicable only to 1954 crop of cotton.)

(n) Notwithstanding any other provision of this Act, if the Secretary determines that because of a natural disaster a substantial portion of the 1958 farm cotton acreage allotments in a county cannot be timely planted or replanted, he may authorize the transfer of all or a part of the cotton acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of cotton and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Acreage history credits for transferred acreage shall be governed by the provisions of subsection (m)(2) of this section pertaining to the release and reapportionment of acreage allotments. No transfer hereunder shall be made to a farm covered by a 1958 acreage reserve contract for cotton.

(o) (1) *Notwithstanding any other provision of law, the owner or operator of a farm for which a farm acreage allotment for upland cotton of ten acres or less is established under the provisions of this section may rent, as provided in paragraphs (1) and (2) of this subsection, such allot-*

ment, or any portion thereof, to any other owner or operator of a farm in the same county for use in the same county on a farm for which the acreage allotment for upland cotton does not exceed fifty acres. As used in the foregoing sentence, the term "allotment" includes the allotment for the farm as increased by allotments rented under this subsection, but does not include any increase resulting from the election of choice (B) under section 102 of the Agricultural Act of 1949. When the operator of any farm on which a rented allotment is to be used has elected choice (A) or choice (B) with respect to any allotment for any year, that choice shall be applicable to all allotments used on all farms operated by him for such year, without regard to any election made by the operator of the farm from which any such allotment was rented. If the operator of the farm on which a rented allotment is to be used shall not have notified the county committee of his election within the time prescribed for such notification for farms within the county, he shall be deemed to have chosen choice (A).

(2) Any such rental agreement shall be made on such terms and conditions, except as otherwise provided in this subsection, as the parties thereto agree: Provided, That no such agreement shall cover allotments made to any farm for a period in excess of one crop year, renewable each year.

(3) No rental agreement shall be effective until a copy of such agreement is filed with the county committee of the county in which the acreage allotment is made.

(4) The rental of any acreage allotment, or portion thereof, shall in no way affect the acreage allotment of the farm from which such acreage allotment, or portion thereof, is rented or the farm to which such acreage allotment, or portion thereof, is rented; and the amount of acreage of the acreage allotment rented shall be considered for purposes of future State, county, and farm acreage allotments to have been planted on the farm from which such acreage allotment was rented in the crop year specified in the lease.

(5) Any farm acreage allotment, or portion thereof, rented under this subsection shall be multiplied by the per centum which the normal yield of the farm from which the acreage allotment, or portion thereof, is rented is of the normal yield of the farm to which the acreage allotment, or portion thereof, is rented.

(6) The acreage of crops requiring annual tillage on the farm from which any allotment is rented shall be reduced during the period covered by the rental agreement below the acreage normally devoted to such crops on such farm by an acreage equal to the acreage allotment transferred. The acreage normally devoted to such crops and the amount of the reduction therein required by this paragraph shall be determined by the county committee after taking crop rotation practices and other relevant factors into consideration, and the reduction shall be agreed to in writing by the owner and operator of the farm from which the allotment is rented before the rental agreement may be filed with the county committee. Any producer who knowingly and willfully harvests an acreage of crops requiring annual tillage in excess of that permitted by this paragraph shall be subject to a civil penalty equal to 150 per centum of the rental provided for by the rental agreement filed with the county committee. Such penalty shall be recoverable in a civil suit brought in the name of the United States.

(7) *This subsection shall apply to the crop years of 1959, 1960, and 1961 only.*

(8) *The Secretary shall issue such regulations as are necessary to carry out the provisions of this subsection.*



Calendar No. 104

86TH CONGRESS
1ST SESSION

S. 1455

[Report No. 115]

IN THE SENATE OF THE UNITED STATES

MARCH 18, 1959

Mr. JORDAN, from the Committee on Agriculture and Forestry, reported the following bill; which was read twice and placed on the calendar

A BILL

To authorize the rental of cotton acreage allotments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 344 of the Agricultural Adjustment Act of 1938,
4 as amended, is amended by adding at the end thereof a new
5 subsection as follows:

6 “(o) (1) Notwithstanding any other provision of law,
7 the owner or operator of a farm for which a farm acreage
8 allotment for upland cotton of ten acres or less is established
9 under the provisions of this section may rent, as provided
10 in paragraphs (1) and (2) of this subsection, such allot-
11 ment, or any portion thereof, to any other owner or operator

1 of a farm in the same county for use in the same county on
2 a farm for which the acreage allotment for upland cotton
3 does not exceed fifty acres. As used in the foregoing
4 sentence, the term "allotment" includes the allotment for
5 the farm as increased by allotments rented under this subsec-
6 tion, but does not include any increase resulting from the
7 election of choice (B) under section 102 of the Agricultural
8 Act of 1949. When the operator of any farm on which a
9 rented allotment is to be used has elected choice (A) or
10 choice (B) with respect to any allotment for any year, that
11 choice shall be applicable to all allotments used on all farms
12 operated by him for such year, without regard to any election
13 made by the operator of the farm from which any such
14 allotment was rented. If the operator of the farm on which a
15 rented allotment is to be used shall not have notified the
16 county committee of his election within the time prescribed
17 for such notification for farms within the county, he shall be
18 deemed to have chosen choice (A).

19 “(2) Any such rental agreement shall be made on
20 such terms and conditions, except as otherwise provided
21 in this subsection, as the parties thereto agree: *Provided*,
22 That no such agreement shall cover allotments made to any
23 farm for a period in excess of one crop year, renewable each
24 year.

25 “(3) No rental agreement shall be effective until a

1 copy of such agreement is filed with the county committee
2 of the county in which the acreage allotment is made.

3 “(4) The rental of any acreage allotment, or portion
4 thereof, shall in no way affect the acreage allotment of the
5 farm from which such acreage allotment, or portion thereof,
6 is rented or the farm to which such acreage allotment, or
7 portion thereof, is rented; and the amount of acreage of the
8 acreage allotment rented shall be considered for purposes of
9 future State, county, and farm acreage allotments to have
10 been planted on the farm from which such acreage allotment
11 was rented in the crop year specified in the lease.

12 “(5) Any farm acreage allotment, or portion thereof,
13 rented under this subsection shall be multiplied by the per
14 centum which the normal yield of the farm from which the
15 acreage allotment, or portion thereof, is rented is of the
16 normal yield of the farm to which the acreage allotment,
17 or portion thereof, is rented.

18 “(6) The average of crops requiring annual tillage on
19 the farm from which any allotment is rented shall be reduced
20 during the period covered by the rental agreement below the
21 acreage normally devoted to such crops on such farm by an
22 acreage equal to the acreage allotment transferred. The
23 acreage normally devoted to such crops and the amount
24 of the reduction therein required by this paragraph shall be
25 determined by the county committee after taking crop rota-

1 tion practices and other relevant factors into consideration,
 2 and the reduction shall be agreed to in writing by the owner
 3 and operator of the farm from which the allotment is rented
 4 before the rental agreement may be filed with the county
 5 committee. Any producer who knowingly and willfully
 6 harvests an acreage of crops requiring annual tillage in excess
 7 of that permitted by this paragraph shall be subject to a civil
 8 penalty equal to 150 per centum of the rental provided for
 9 by the rental agreement filed with the county committee.
 10 Such penalty shall be recoverable in a civil suit brought in
 11 the name of the United States.

12 “(7) This subsection shall apply to the crop years of
 13 1959, 1960, and 1961 only.

14 “(8) The Secretary shall issue such regulations as are
 15 necessary to carry out the provisions of this subsection.”

86TH CONGRESS
1ST SESSION

S. 1455

[Report No. 115]

A BILL

To authorize the rental of cotton acreage
allotments.

By Mr. JORDAN

MARCH 18, 1959

Read twice and placed on the calendar

Report No. 5, 1455

(Report No. 11)

A BILL

TO AMEND THE ACT OF 1907, CHAP. 10, SEC. 1, RELATIVE TO THE

REVENUE

OF THE STATE OF NEW YORK

IN SENATE

January 1, 1911

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate passed bill for discontinuance of certain reports to Congress.
Senate passed over bill to authorize rental of cotton acreage allotments. Sen.
Clark introduced and discussed bill to reorganize system of personnel administration.

SENATE

1. REPORTS. Passed as reported S. 899, to provide for the discontinuance of certain reports now required by law to be submitted to Congress, including reports of this Department (see Digest 51 for a summary of the bill as reported).
pp. 5069-70
2. COTTON. At the request of Sen. Johnson, passed over S. 1455, to authorize the rental of cotton acreage allotments. Sen. Johnson announced that the bill will be called up for consideration as soon as possible. p. 5063
3. FORESTRY. Sen. Bennett commended the report submitted by this Department, "Program for the National Forests," as being of the "utmost consequence to the entire Nation and particularly to future generations," and inserted an article commending the report. pp. 5082-3

4. CUSTODIAL SERVICES. Passed without amendment S. 901, to amend the Federal Property and Administrative Services Act of 1949 so as to authorize GSA to make contracts for cleaning and custodial services for periods not to exceed 5 years. p. 5067
5. PERSONNEL. At the request of Sen. Morton, passed over S. 91, to limit to cases involving the national security the prohibition against payment of retirement annuities. p. 5069
6. PROPERTY. Passed without amendment S. 900, to amend the Federal Property and Administrative Services Act of 1949 so as to extend the authority of GSA to pay direct expenses in connection with the utilization of excess real property and related personalty. pp. 5066-7
Sen. Wiley urged early consideration of S. 910, to authorize payment to local communities in lieu of taxes on federally owned property, and inserted a letter commending his support of the bill. pp. 5024-5
7. LAMB GRADING. Sen. Moss commended the Department for calling a conference April 17 "to discuss demands of lamb producers that Federal grading of lamb be discontinued," and inserted an address by the president of the National Wool Growers Assoc. discussing the matter. pp. 5045-6
8. FOREIGN TRADE; SURPLUS COMMODITIES. Sen. Humphrey urged amendment of the Battle Act so as to permit the use in Poland of foreign currencies accumulated under Public Law 480, and inserted a letter from the State Department discussing the situation. pp. 5029-31
9. UNEMPLOYMENT. Passed with amendment S. 1631, to provide for the establishment of a commission to study and report on unemployment problems. pp. 5073-4
Sen. Javits urged enactment of legislation to aid the unemployment situation, including bills on housing, area redevelopment, and unemployment compensation. pp. 5039-40
10. AREA REDEVELOPMENT. Sen. Randolph inserted and commended several articles favoring enactment of area redevelopment legislation. pp. 5054-6
11. LIVESTOCK RESEARCH. Sen. Case commended the "highly successful Florida experiment which may provide the key for controlling at least two of our worst cattle pests in this country -- the screw-worm and the heelfly," and urged this Department to expedite its research in this field. pp. 5028-9
12. FOREIGN AID. Sen. Proxmire inserted an address by William Benton, "The Soviet Economic Challenge," discussing the danger of the Russian foreign aid program. pp. 5020-4
13. BUDGET. Sen. Goldwater expressed concern over Federal expenditures, and urged that the budget be balanced. pp. 5075-8
14. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment S. 994, to authorize the construction of the Spokane Valley project, Wash. and Idaho (S. Rept. 156). p. 5008
Passed over, at the request of Sen. Morton, S. 44, to authorize the construction of the San Luis unit of the Central Valley project, Calif. p. 5073
15. EGGS. Sen. Langer expressed concern over "the low price of eggs" stating that farmers are receiving 18 cents a dozen for first-grade eggs. p. 5008

safe: *Provided*, That if in the opinion of the Commissioners the unsafe condition of the building or part thereof is such as to be imminently dangerous to the life or limb of any occupant, the Commissioners may order the immediate discontinuance of the use of such building or part thereof. Any person occupying or permitting the occupancy of, such building or part thereof in violation of such order of the Commissioners shall be fined not more than \$300 or imprisoned for not more than thirty days."

SEC. 8. Section 6 of such Act, as amended, is renumbered "Sec. 9."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to amend the act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof so as to accomplish the following:

1. Provide the Commissioners of the District of Columbia with authority to require that unsafe structures be vacated under penalty of \$300 fine or imprisonment of not to exceed 30 days after 5 days' notice to repair or take corrective action has been given, or immediately if the danger is imminent;

2. Establish time limits and change the present method for the assessment and collection of costs to the District for repairs made by the District upon unsafe structures, including changes in the grace period, during which interest does not run, from 90 days to 60 days, and change the rate of interest from 10 percent per annum to one-half of 1 percent per month;

3. Permit administrative changes in the methods of serving notice upon the owners of property to simplify and standardize such procedures; and

4. Change functional titles of officials in the act to conform with the provisions of Reorganization Plan No. 5 of 1952.

A substantially similar bill (S. 3059) passed the Senate in the 85th Congress on March 17, 1958. This legislation was requested by the Board of Commissioners and the committee was informed that enactment thereof would incur no additional cost to the District.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

SCHOOL CENSUS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 644) to amend the act entitled "An act to provide for compulsory school attendance for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 3, after the word "That", to strike out "the first sentence of"; in line 8 after the word "amended", to insert "(1)"; on page 2, line 2, after the word "as", to strike out "frequently," and insert "fre-

quently" "; and in line 5, after the word "frequently", to strike out "thereafter"." and insert "thereafter"; and (2) by inserting immediately after "the school attended by him," the following: "whether such school is public or private,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of article II of the Act entitled "An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes", approved February 4, 1925 (43 Stat. 807; sec. 31-208, D.C. Code, 1951 edition), is amended (1) by striking therefrom "all children between the ages of three and eighteen years permanently or temporarily residing in the District of Columbia, and annually thereafter or as frequently" and inserting in lieu thereof "all children under the age of eighteen years permanently or temporarily residing in the District of Columbia and as frequently thereafter"; and (2) by inserting immediately after "the school attended by him," the following: "whether such school is public or private,".

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to amend the act of February 4, 1925, so as to (1) provide that all children below the age of 18 years be listed in the taking of the school census, instead of the present requirement that only those between the ages of 3 years and 18 years be listed; (2) provide that in addition to the name of the school attended by the child as required by the census, there be a designation as to whether such school is public or private, and (3) provide that the census be made as frequently as the Superintendent of Schools and the Board of Education find it necessary and desirable to do so, instead of annually, as now required.

The Commissioners of the District of Columbia favor enactment of the bill and informed the committee that enactment of this measure could result in financial savings to the District, and that in any event, would involve no additional expense.

A similar bill, S. 1842, passed the Senate during the 85th Congress on May 22, 1957.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RENTAL OF COTTON ACREAGE ALLOTMENT

The bill (S. 1455) to authorize the rental of cotton acreage allotment was announced as next in order.

Mr. MORTON. Over, by request.

Mr. JOHNSON of Texas. Mr. President, I wish to inform the Senate that it is planned to call up S. 1455, Calendar No. 104, at the earliest possible date. I shall try to be more specific later in the week.

I should like to suggest also that Calendar No. 105, S. 1456, go over. I inform the Senate that it is planned to call up that bill by motion later today.

Mr. JOHNSON of South Carolina. Mr. President, I should like to have the

attention of the majority leader concerning S. 1455. If anything is to be done in that field, it must be done this week, because, as the Senator from Texas knows, cotton will be planted very soon. In order to give farmers the opportunity to transfer their rights, action will have to be taken on the bill quickly. It is a very small item. It affects only small acreage, under 10 acres.

Mr. JOHNSON of Texas. It is planned to call the bill up by motion.

Mr. JOHNSTON of South Carolina. I understand. I hope it will be called up as soon as possible, because something must be done in this field if the plight of farmers planting less than 10 acres is to be relieved. If the Senate wants to block it, it can do so.

Mr. JOHNSON of Texas. The bill will be called up by motion as soon as possible.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL JUDGES FOR JUVENILE COURT OF THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The bill (S. 1456) to provide for the appointment of two additional judges for the Juvenile Court of the District of Columbia was announced as next in order.

Mr. ENGLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

ELSIE F. WILKINSON

The resolution (S. Res. 93) to pay a gratuity to Elsie F. Wilkinson was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Elsie F. Wilkinson, widow of James M. Wilkinson, an employee of the Senate at the time of his death, a sum equal to seven months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT 234, 84TH CONGRESS

The concurrent resolution (H. Con. Res. 64) authorizing the printing of additional copies of House Document 234, 84th Congress, entitled "The Prayer Room in the U.S. Capitol," was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF "TITLE 38, UNITED STATES CODE, VETERANS' BENEFITS"

The concurrent resolution (H. Con. Res. 75) authorizing the printing of additional copies of committee print entitled "Title 38, United States Code, Veterans' Benefits," was considered and agreed to.

INCORPORATION OF THE LADIES OF THE GRAND ARMY OF THE REPUBLIC

The Senate proceeded to consider the bill (S. 949) for the incorporation of the

Ladies of the Grand Army of the Republic, which had been reported from the Committee on the Judiciary, with an amendment, on page 10, after line 10, to strike out:

SEC. 16. The corporation and its subordinate divisions shall have the sole and exclusive right to use the name, "Ladies of the Grand Army of the Republic," and no other organization shall use the name "Grand Army of the Republic". The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been used by the Ladies of the Grand Army of the Republic.

And, in lieu thereof, to insert:

SEC. 16. The corporation and its subordinate divisions shall have the sole and exclusive right to use the name, "Ladies of the Grand Army of the Republic". The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been used by the Ladies of the Grand Army of the Republic.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following-named persons, to wit: Gussie Laile Morin, Seattle, Washington; Margaret Hopkins Worrell, Ironton, Ohio; Twannette Paull, Kansas City, Missouri; Nellie D. Howe, Grand Rapids, Michigan; Sarah J. Ehrmann, Orange City, Florida; Mabel S. Taylor, Providence, Rhode Island; Edwina P. Trigg, Kansas City, Missouri; Cora M. Rowling, Indianapolis, Indiana; Irene Mangle, Woodruff, Wisconsin; Catherine G. Schroeder, Los Angeles, California; Mabel Y. Coffey, Colorado Springs, Colorado;

Helen M. Lehman, Jersey City, New Jersey; Margaret Grandie, Pittsburg, Kansas; Frances M. Kuhns, Greensburg, Pennsylvania; Gladys W. Newton, Charleston, West Virginia; Olive Vanwagenen, Washington, District of Columbia; Luella Orr, Tulsa, Oklahoma; Edna S. Lindsey, Portland, Oregon; Rosalie E. Leonard, Boise, Idaho; Lura B. Frye, Peoria, Illinois; Theo McCallum, Neenah, Wisconsin; Eloise E. Whitmer, Washington, District of Columbia; Harriet E. Hughes, New York City, New York; Margaret G. Urban, Oakmont, Pennsylvania;

Bertha Hunt, Des Moines, Iowa; Marie E. Godda, Omaha, Nebraska; Anna Hausman, Washington, District of Columbia; Frances C. Linnell, Plymouth, Massachusetts; Alma M. Blitz, Minneapolis, Minnesota; Lila Lovett, Portland, Maine; Eveh M. Ervin, Keene, New Hampshire; Mildred Puckett, Louisville, Kentucky; Ada Anderson, Wilmington, Delaware; and all past national presidents, and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be by the name of the Ladies of the Grand Army of the Republic (hereinafter referred to as the corporation), and by such name, shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this Act, acting in person or by written proxy, are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws no inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

PURPOSES OF CORPORATION

SEC. 3. The purposes of the corporation shall be: To perpetuate the memory of the Grand Army of the Republic and of the men who

saved the Union in 1861 to 1865; to assist in every practicable way in the preservation and making available for research of documents and records pertaining to the Grand Army of the Republic and its members; to cooperate in doing honor to all those who have patriotically served our country in any way; to teach patriotism and the duties of citizenship, the true history of our country, and the love and honor of our flag; to oppose every tendency or movement that would weaken loyalty to, or make for the destruction or impairment of, our constitutional Union; and to inculcate and broadly sustain the American principles of representative government of equal rights, and of impartial justice for all.

CORPORATE POWERS

SEC. 4. The corporation shall have power—
(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, managers, agents, and employees as the activities of the corporation may require;

(5) to adopt, amend, and alter a constitution and bylaws; not inconsistent with the laws of the United States or of any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take by lease, gift, purchase, grant, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by a corporation operating in such State;

(8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal, or mixed property;

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise, subject in every case to all applicable provisions of Federal and State laws; and

(10) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

MEMBERSHIP; VOTING RIGHTS

SEC. 5. (a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of membership shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide. Eligibility for membership in the corporation shall be limited to female blood relatives of persons who served between April 12, 1861, and April 9, 1865, as soldiers, or sailors of the United States Army, Navy, Marine Corps, or Revenue-Cutter Service, and of such State regiments as were called into active service and were subject to orders of United States general officers between the dates above mentioned and were honorably discharged therefrom at the close of such service or who died in such service.

(b) Each member of the corporation shall have the right to one vote in each matter submitted to a vote at all meetings of the members of the corporation.

GOVERNING BODY

SEC. 6. The supreme governing authority of the corporation shall be the national convention thereof, composed of such officers and elected representatives from the several

States and other local subdivisions of the corporate organization as shall be provided by the constitution and bylaws: *Provided*, That the form of the government of the corporation shall always be representative of the membership at large and shall not permit the concentration of control thereof in the hands of a limited number of members or in a self-perpetuating group not so representative. The meetings of the national convention may be held in any State or Territory or in the District of Columbia.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation shall be selected in such manner and for such terms and with such duties and titles as may be prescribed in the constitution and bylaws of the corporation.

PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 8. (a) The principal office of the corporation shall be located in Washington, District of Columbia, or in such other place as may later be determined by the corporation, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States, Territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the council of administration of the corporation.

(b) The corporation shall not make loans to its officers or employees. Any member of the council of administration who votes for or assents to the making of a loan or advance to an officer or employee of the corporation, and any officer who participates in the making of such loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation and its officers and agents as such shall not contribute to any political party or candidate for public office.

LIABILITIES FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

BOOKS AND RECORDS; INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its national conventions and council of administration. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purposes, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The financial transactions of the corporation shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: House passed bill to give REA Administrator authority over all loans. Senate passed bill to authorize rental of cotton acreage allotments. Senate/ordered reported bills to: Provide industrial-use research; expand special milk program, House subcommittee voted to report area redevelopment bill. Sen. Symington urged Secretary to submit omnibus farm bill. Senate received nomination of Frank A. Barrett to be member of CCC board. Senate committee reported measure to establish committee to study water resources. Sen. Humphrey urged USDA program to purchase eggs. Sens. Symington and Humphrey introduced and discussed food stamp bill. Rep. Sullivan introduced and discussed bill to provide for regulation of futures trading in coffee.

HOUSE

ELECTRIFICATION. Passed, 254 to 131, as reported H. R. 1321, to give the REA Administrator additional authority. Then passed S. 144, a similar Senate bill, without amendment. This bill will now be sent to the President. pp. 5383-401
As finally passed, S. 144 provides that the functions and activities of REA and of the Administrator of REA which were transferred to the Department and to the Secretary by Reorganization Plan No. II of 1939 and Reorganization Plan No. 2 of 1953 are transferred to the REA Administrator, to be exercised and administered within the Department by the Administrator under the general direction and supervision of the Secretary, except that insofar as such functions relate to the approval or disapproval of loans authorized to be made under the Rural Electrification Act of 1936, as amended, their exercise by the Administrator shall not be subject to the supervision or direction of, or to any other

control by, the Secretary.

Rep. Simpson criticized TVA for its awarding of a turbogenerator contract to a British firm and urged that the decision be reversed. pp. 5434-6

2. AREA REDEVELOPMENT. A subcommittee of the Banking and Currency Committee voted to report with amendment to the full committee S. 722, the Douglas area re-development bill. The amendment, in the nature of a substitute, reduces the original \$389.5 million to \$251 million, decreasing from \$100 million to \$75 million the amount of loans available to rural areas. p. 5420
3. FORESTS. The Interior and Insular Affairs Committee reported with amendment H. R. 2497, to add certain lands located in Idaho to the Boise and Payette National Forests (H. Rept. 273). p. 5436
4. MILITARY CONSTRUCTION. The Rules Committee reported a resolution for consideration of H. R. 5674, to authorize certain construction at military installations, including an authorization for use of Public Law 480 and CCC funds. p. 5436
5. RECLAMATION. The Interior and Insular Affairs Committee ordered reported without amendment the following bills: H. R. 1778, to amend section 17 (b) of the Reclamation Act of 1939 to defer payment of certain payments of construction costs by water users; and H. R. 839, to approve certain adjusting, deferring, and canceling of certain irrigation charges against non-Indian owned lands near the Wapato Indian irrigation project, Washington. p. D250
6. WATER POLLUTION. The Public Works Committee ordered reported with amendment H. R. 3610, to amend the Federal Water Pollution Control Act to increase grants for construction of sewage treatment works and to establish the Office of Water Pollution Control. p. D251
7. DAIRY PRODUCTS. The Administration Committee ordered reported a resolution to authorize printing of 5,000 additional copies of a report entitled, "Price Discrimination in the Distribution of Dairy Products." p. D250
8. INTEREST RATES. Rep. Patman criticized Administration monetary policies, particularly "high-interest rate policies." pp. 5421-7
9. MINIMUM WAGES. Rep. Thompson, N. J., urged an increase in the minimum wage, and criticized the Secretary for opposing such an increase. pp. 5415-8
10. LEGISLATIVE PROGRAM. Rep. Albert announced that on Thurs., April 16, H. R. 5674, to authorize certain construction at military installations, including an authorization for use of Public Law 480 and CCC funds, would be programed and that Rep. Vinson will ask for a rolcall vote on that bill. p. 5403

SENATE

11. COTTON. Passed without amendment S. 1455, to authorize 1-year leases of upland cotton acreage allotments from farms having allotments of 10 acres or less to other farms in the same county if the combined allotments will not exceed 50 acres. pp. 5340-7
12. RESEARCH; MILK; COOPERATIVES. The Senate Agriculture and Forestry Committee ordered reported the following bills: p. D247
S. 690, without amendment, to provide a program for the increased use of agricultural products for industrial purposes;

March 10 last the Department of State announced a change of heart, as follows:

"Not only must account be taken of the private capital and technical know-how required to create employment for those who today are under-employed or unemployed but also of the need to create new jobs for an even larger number of workers. In addition to the expansion of industry and agriculture which this implies, very large additional amounts of public funds will be required for facilities which only governments can provide; for example, highways, sanitation facilities, hospitals and schools."

The recognition that Latin American growing pains differ from ours, and our consequent abandonment of inflexible doctrinaire principles, should open the way for better inter-American understanding.

Along the new guidelines, positive steps are in progress. The Administration has finally announced that it will support an Inter-American Development Bank, something the Latin Americans have been urging for years and we have been resisting for years. We have agreed to consult with the Republics before making decisions which could affect their principal exports. We have indicated a willingness to take a fresh look at efforts to deal with instability and fluctuation in the commodity market. We have lent our support to the idea of regional markets within Latin America.

In short, we have recognized the magnitude of Latin America's problem and have agreed to cooperate with our neighbors in finding solutions.

A NINE-POINT PROGRAM FOR IMPROVING LATIN AMERICAN RELATIONS

Latin America, as population zooms, as industrial development spreads, and hope and impatience mingle, is going to be a cauldron of competing political ideologies. We should welcome this development, not fear it.

In no region of the world have we deeper historical traditions to build upon. It was with the Latin American Republics that we first developed the idea of regional cooperation. The bold idea of mutual cooperation to attack disease, illiteracy and poverty was born within the inter-American family. These are the people who wept unashamedly when Franklin Delano Roosevelt died.

Today in Latin America there are many leaders who understand and admire our democratic system and want to develop something comparable in their own countries. I know of an American who, while attending the inauguration last month of the democratically-elected President of Venezuela, was asked on three separate occasions by newly-elected Venezuelan congressmen how they could get hold of a copy of the "Jefferson Manual of Rules for the House of Representatives."

Our traditions of individual freedom and concern for ordinary human beings were once the cornerstone of our successful Latin-American policy. Now, to Latin Americans, these much admired beliefs seem to stop at the border. While we caution our neighbors about Communist activities and Communist infiltration, we appear peculiarly cold toward the Latin-American yearning to achieve genuine civil liberties.

The recent steps taken by the administration to repair our tottering Latin-American policy should be applauded. They are steps in the right direction, but they will not be enough if the escalator of history is going faster in the opposite direction. We must replace our massive indifference to Latin-American aspirations with massive cooperation.

The Latin-American situation cries out for imaginative, long-range planning, rather than the hurried, patch-up measures after an explosion has occurred.

A coordinated program on the order of the Marshall plan would give the Latin Americans new hope of attaining bread and free-

dom. The possibilities of such an effort should be explored carefully, not primarily as an anti-Communist strategem, but because it is good for Latin America and for the United States. We should not be ashamed of our humanitarian tradition. Nor should we be embarrassed if humanitarian and security objectives sometimes coincide in our national policy.

In conclusion, I should like to propose an eight-point program for improving United States-Latin American relations. I believe this program is realistic and workable and in harmony with the best interests of our country and of our 20 sister Republics.

First. The United States should increase the volume of its economic aid in support of Latin-American efforts to develop diversified and viable economies so they will not be dependent, as they now are, on a few commodities. Requests for loans from the Development Loan Fund and the Export-Import Bank should be dealt with expeditiously and sympathetically. We should cooperate fully with the new Inter-American Development Institution. The proposed corps of technical experts within the Institute could help the smaller, inexperienced countries draw up coordinated development plans.

Second. The United States should accelerate and strengthen its program of technical assistance in agriculture, health, education, vocational training, and public administration. The time has come to recapture the original fervor of President Truman's "bold new program" which was widely hailed in Latin America when it was first announced a decade ago.

Third. The United States should support vigorously the current moves within Latin America to establish regional markets. The elimination of inter-American trade barriers would broaden markets for Latin-American products and make low-cost manufacturing feasible, both indispensable prerequisites to diversification and economic growth.

Fourth. The United States should review its trade and tariff policies as they affect imports from Latin America. It is self-defeating for us to provide economic assistance with one hand and take it away with the other by short sighted trade restrictions. If policies designed to strengthen our trade with Latin America cause hardship to any domestic industry, the Government has a responsibility to aid those so affected. (I recently cosponsored an amendment in the Senate to the Area Redevelopment Act (S. 722) to make such aid possible, but unfortunately it did not pass the committee stage.)

Fifth. The United States should give wholehearted support to the health programs under the direction of the Pan American Sanitary Organization. Widespread disease which stalks Latin America is a tremendous economic drain as well as a human tragedy. Investment in health is perhaps the cheapest, most effective investment we can make in the future of the Western Hemisphere.

Sixth. The United States should develop a bold and imaginative program of student and cultural exchange.

We need to reexamine our methods of screening Latin American scholarship recipients. Too frequently the test has been the friendliness of the recipient toward the United States. Young Latin Americans of so-called leftist tendencies have been excluded, when they are often the very ones who would benefit most from the program.

Seventh. The United States press, radio, and TV networks should be encouraged to give wider and better balanced news coverage of Latin American affairs. This, of course, is something our Government can do little about. But it is essential that the American people have a continuous report and interpretation of Latin American developments if they are to understand the magnitude of the problems in that region

and what we are being asked to support. When news of revolutions and executions dominate our newspapers, it is hard for the American taxpayer to form an understanding of the underlying realities in the 20 American republics, and of our interest in them.

Eighth. The United States should thoroughly reappraise its military assistance program in Latin America. What we have given one nation for hemispheric defense has often provoked demands by another for an equal amount of aid. Great care should be taken not to encourage this type of arms race, which Latin American governments can ill-afford. We should give greater attention to the coordination of military policy and strategy in the hemisphere. This might well result in a decrease in the requirements of national military establishments.

Further our military assistance to certain dictatorial governments has raised the question of whose freedom those governments are defending. The use by Batista of U.S. supplied armaments against his own people, contrary to stipulations of our defense treaty, has greatly damaged U.S. prestige throughout Latin America. It makes little sense to speak of hemisphere defense while arming a tyrant who uses weapons to intimidate his own people.

Ninth. The United States should lend its support to the idea of regional arms control. Last year Costa Rica submitted such a plan to the Organization of American States and received nominal support from the U.S. delegation. Our Government should now press for the consideration of the Costa Rican plan or some similar project, at the Eleventh Inter-American Conference to be held at Quito next year.

The quality of our overall policy toward Latin America will be determined not only what we do, but by how we do it.

Unless we pursue our policies with a genuine interest in the welfare of our fellow human beings, they will do little to heal our wounded inter-American relations. The steps already taken by the Department of State, many of them complete reversals of former policy, will avail us little if they are done reluctantly and only under Latin American pressure.

We must, if we are to recapture the warm bonds of friendship which characterized the best days of the Good Neighbor policy, breathe into inter-American cooperation that intangible spirit which then characterized our relations—a deep-rooted conviction that the Western Hemisphere can, indeed it must, be a New World where freedom and opportunity flourish.

LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959—AMENDMENTS

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. On Monday last, just before the adjournment of the Senate, the Senate Committee on Labor and Public Welfare was authorized to report the Labor-Management Reporting and Disclosure Act of 1959. I should like to inquire if the bill has been reported.

The PRESIDING OFFICER. The bill has been reported.

Mr. GOLDWATER. Has it been made the unfinished business?

The PRESIDING OFFICER. Not as yet.

Mr. GOLDWATER. I had hoped that it had been made the unfinished business.

In anticipation of its being made the unfinished business, I send to the desk 69 amendments to Senate bill 1555, and ask that they be printed and lie on the table. I inform my colleagues that there will be more.

The PRESIDING OFFICER. The amendments will be received, printed, and will lie on the table.

RENTAL OF COTTON ACREAGE ALLOTMENTS

Mr. JORDAN. Mr. President, I ask unanimous consent that the unfinished business, House bill 3293, be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 104, Senate bill 1455.

Mr. KUCHEL. Mr. President, reserving the right to object, will my colleague tell me the nature of the proposed legislation?

Mr. JORDAN. It is a bill to authorize the rental of cotton acreage allotments. The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1455) to authorize the rental of cotton acreage allotments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. KUCHEL. Mr. President, I shall not object, but I shall vote against the measure. I should like to have a discussion of it, and I desire that there be a quorum call before the debate begins.

Mr. JORDAN. There will be a quorum call.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

There being no objection, the Senate proceeded to consider the bill.

Mr. JORDAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JORDAN. Mr. President, S. 1455 authorizes 1-year leases of upland cotton acreage allotments from farms having allotments of 10 acres or less to other farms in the same county if the combined allotments will not exceed 50 acres. In doing so it will accomplish the following purposes:

First. It will enable small farmers who have participated in the acreage reserve and cannot get back into cotton production immediately to obtain some return from their cotton allotments.

Second. It will provide lessees with allotments of such a size as will enable them to obtain needed credit and machinery and operate efficiently.

Third. It will permit counties to retain the cotton production necessary to their economies.

Fourth. It will alleviate the inefficiencies resulting from the present regula-

tions under which many farmers plant small rented cotton acrages on a number of scattered farms.

The bill provides that increases resulting from the election of choice (b) under section 102 of the Agricultural Act of 1949 would be disregarded in applying the provisions of the bill, and the election of choice (a) or choice (b) by the operator of the farm on which the leased allotment is used would be applicable to the rented allotment. This would prevent the confusion which might arise if both choice (a) and choice (b) cotton were grown on the same farm.

The acreage history would be credited to the farm from which the allotment was rented just as though it had been planted on that farm.

Allotments rented under the bill would be adjusted to compensate for differences in normal yield between the farms involved.

The farm from which an allotment is leased would be required to reduce its acreage of crops requiring annual tillage by an acreage equal to the allotment transferred. This provision would be enforced by civil penalty equal to 150 percent of the rental for the allotment. The bill would be applicable to the 1959, 1960, and 1961 crops.

Mr. STENNIS. Mr. President, will the Senator from North Carolina yield for a question?

Mr. JORDAN. I yield.

Mr. STENNIS. As I understand, the Senator from North Carolina is the author of the bill. Do I correctly understand, further, that the bill was reported unanimously by the Committee on Agriculture and Forestry?

Mr. JORDAN. The Senator is correct. The bill was reported unanimously by the committee.

Mr. STENNIS. The bill, in effect, is a committee bill, which includes major committee amendments.

Mr. JORDAN. That is correct.

Mr. STENNIS. The amendments restrict the bill, so that the only farmers who can sell, under the provisions of the bill, are those who have small allotments of 10 acres or less.

Mr. JORDAN. That is correct.

Mr. STENNIS. That within itself restricts the bill to a relatively small amount of acreage, considering the total amount of acreage in the entire cotton belt.

Mr. JORDAN. That is correct.

Mr. STENNIS. A further restriction is that the farmer must be an operator on a small scale, so that the acreage which he produces plus what he may buy from anyone else will not total more than 50 acres.

Mr. JORDAN. That is correct.

Mr. STENNIS. The effect of the bill as a whole, comprising all the amendments which were submitted in the committee, affords a limited field of operation. Even though the bill will mean something to the individual farmer, the overall effect is that the total acreage which might be sold under the bill would be relatively small. Is not that correct?

Mr. JORDAN. That is correct. Furthermore, the provisions of the bill make it applicable only 1 year at a time.

A farmer cannot lease his land for more than 1 year at a time, and the bill is applicable for not more than 3 years.

Mr. STENNIS. I commend the Senator from North Carolina for the work he has done on the bill. Its application will, I think, help some individual farmers. I do not see how it could hurt anyone or hurt the cotton program.

Mr. JORDAN. I thank the Senator from Mississippi.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. JOHNSTON of South Carolina. I should like to have the attention of the Senator from Arizona and the Senator from California. The committee received a report from the administration on the Senate bill 545. Senators who are members of the subcommittee will bear out my statement that after that time the committee reduced considerably the amount provided in the bill. The administration contended that the bill would put the land in the hands of the big farmers. The committee remedied that situation so as to provide that land in excess of 50 acres cannot be transferred to anyone. Any cotton farmer knows that 50 acres is not a big farm. So we have tried to reduce the amount of acreage to the point where only the small farmer will be helped and the bill will not permit the land to get into the hands of big farmers, as the Department of Agriculture contended might happen.

Mr. GOLDWATER. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield.

Mr. GOLDWATER. I believe I understand what the Senators from the South are trying to do, but I am disturbed by the thought that the bill may not do precisely what they feel it will do. The report states:

This bill authorizes 1-year leases of upland cotton acreage allotments from farms having allotments of 10 acres or less to other farms in the same county, if the combined allotments will not exceed 50 acres.

Does that mean 50 acres in the county or 50 acres to another farmer? In other words, could one farmer buy up 10 5-acre tracts and thus have 50 acres?

Mr. JORDAN. It means that the allotment to a farmer would always have to remain to the farmer. He could not sell it. He could lease it only 1 year at a time.

Mr. GOLDWATER. I appreciate that fact.

Mr. JORDAN. The upland counties of North Carolina, Georgia, South Carolina, and Mississippi have a large number of small farmers who have only 1, 2, 3, or 4 acres, which is not large enough for a farmer to operate economically. He can now lease the land under the law, but he has to operate on the farm where he is located. The bill would allow him to group the farms together in one place, not to exceed 50 acres, including the land he already owns.

Mr. GOLDWATER. In the same county?

Mr. JORDAN. In the same county.

Mr. GOLDWATER. But would it prevent a farmer having 50 acres in two contiguous counties from creating a farm of 100 acres out of excess or unused allotments?

Mr. JORDAN. I do not think it would prevent him from doing that. If he owned a farm in another county—which might be the case—I do not know of anything which would prevent him from doing the same thing in that county.

The fear of the Department of Agriculture has been that by so doing, many cotton barons might be created. A cotton baron cannot be made with 50 acres.

Mr. GOLDWATER. I agree with that statement. That is the point I was concerned about. The Senators who have made this proposal are trying to remedy the plight of the small cotton farmer, who is having a hard time in getting along, by allowing him to lease his unused allotments to a farmer who is in a position to or can afford to farm those allotments. I was concerned that instead of helping the small farmer we might, under the bill, actually be pushing him out of business.

Mr. JORDAN. No, because the allotment would have to stay with the farmer. He could not sell it. He must stay with the farm. I think the bill would be a help to the small farmer.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. ELLENDER. I wish to make it plain to the Senator from Arizona that the committee considered four bills which pertained to the same subject, some of which might have done harm by enabling farms to obtain more cotton acreage through leasing than might be desirable. The committee bill, however, limits the size to which an allotment may be increased through leasing to 50 acres.

A factor considered by the committee was that the condition making the enactment of this legislation necessary was brought about because of the acreage reserve program. Many small farmers who placed their cotton acreage in the acreage reserve program expecting the program to continue through 1959 are not now in a position to return to cotton. They need a little more time to plan and make adjustments. That was one reason why the bill was limited to production year by year, not to exceed 3 years. It will give farmers in that category a chance to make such arrangements as they see fit.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. HOLLAND. I ask the attention of the Senator from Arizona [Mr. GOLDWATER] and the Senator from California [Mr. KUCHEL]. There are two items which, it seems to me, make the bill peculiarly equitable. The first has already been mentioned by the distinguished Senator from Louisiana [Mr. ELLENDER], the chairman of the committee. Under the acreage reserve program of the land bank, a great many small farmers were eking out only the

scantiest possible existence. They could not live on the few acres put in the soil bank. Their acreage has been out of cultivation, in some instances, for 2 years or more. They may be working in a nearby town, so it would be very uneconomical, difficult, and expensive for them to return to the farm and take advantage of their allotment by planting a little cotton farm again.

The bill will allow them to get a little value for their acreage by enabling them to lease the allotments which still belong to them.

Second, there can be no sound objection to the bill, based upon the standpoint of their building up huge acreage, not only for the reason that it cannot be built up into farms which will exceed 50 acres, including what the lessee had himself, and also that leased from his neighbors, but, also, it will not serve to build up additional production; because under present law if these small farmers could not plant, they would simply have to turn in their allotments to the county committees, which could reissue the allotments to others, and would do so. The only difference in production would be that the small farmers, whom we have been trying to protect by means of various laws, would lose any equity at all in the matter.

So it seemed to the committee, on which I served, that the real ends of equity were served by both the provisions I have mentioned and by others in the bill, without working any hardship on any cotton producer in either the traditional cotton-producing areas of the South or the cotton-producing areas of the West. I believe the committee, in reporting the bill, believed it had eliminated all provisions which could have done harm to the cotton industry, and had included all the provisions which would be helpful to the small cotton farmers.

Mr. TALMADGE. Mr. President, will the Senator from North Carolina yield to me?

Mr. JORDAN. I yield.

Mr. TALMADGE. First of all, I desire to compliment the distinguished junior Senator from North Carolina for his efforts and endeavors to aid these producers, who need help more than any other group I know of in the Nation.

In many parts of the traditional cotton-producing area of the South, the average cotton allotment is 5 acres or less. For instance, in Georgia, 40-odd percent of the cotton allotments are of 5 acres or less. I believe the same statement applies to North Carolina, South Carolina, Alabama, Florida, and Tennessee. The Mississippi allotments are exceedingly small.

Under the present law, such farmers may already lease their cotton allotments. But under the present law, they have to transport their machinery, their equipment, and their labor, sometimes several miles, in order to cultivate one, two, or sometimes four acres of cotton. Certainly it is uneconomical for them to cultivate such small acreage on farms which are 2, 3, or 4 miles away.

This measure will entitle them to lease those allotments to grow cotton on their own farms, provided the total acreage is not more than 50.

Then, if there is a difference in the fertility of the soil, with the result that a greater amount of cotton is produced on the farms for which the allotments are leased, there is a factor which will reduce the cotton acreage by that ratio, in order that the total production of cotton may not be greater than it is under the present law.

This proposed legislation would enable many thousands of farmers in many of the States of the Southeast, who are eking out a meager, and sometimes a marginal existence, to secure additional allotments from their neighbors, many of whom have gone to work in industries, or have begun to operate stores, or are engaged in other ways; and thus this measure will enable those farmers to have an economic unit which they can cultivate adequately, and from which they can make a living for their families.

I would say that in many instances this measure will represent the difference between the necessity for such farmers to abandon their farms and move to town, there to compete with an already overabundant supply of labor for jobs, and the possibility for those farmers to continue on their own humble, little farms to make a living, by the sweat of their own labor, for themselves and their families.

Mr. GOLDWATER. Mr. President, will the Senator from North Carolina yield to me?

Mr. JORDAN. I yield.

Mr. GOLDWATER. Mr. President, I have no objection to the bill, as it has been explained; and I shall not vote against it.

However, I wish to take advantage of this opportunity—because I do not recall seeing present in the Chamber at any previous time so many distinguished Senators from the Southern cotton-producing States—to propose a philosophical question, or perhaps an economic question. To me, this bill, and even the necessity to introduce it, indicates one of the weaknesses in the present agricultural program.

First, we had the soil bank; and the farmers participated in the soil bank. But the soil bank did not work; and then the farmers left it.

Now the farmers want to lease their allotments.

I am in perfect harmony with the intent of the proposed legislation. However, as I stand here, I wonder, as I have often wondered heretofore, whether it is right for us to have on the statute books legislation which will forever keep the cotton farmer tied to the 2-acre, 3-acre, 4-acre, or 5-acre farm? Are we making a mistake by more or less "hedging him in" as a farmer?

To think out loud for a moment—and I am asking this question of my Southern friends: Would not it be better to have less restrictive legislation, so as to allow such farmers not only to sell their farms, if they wish to, but also to dispose

of their allotments, and to allow large-scale cotton farming to develop in the areas of the South which my colleagues represent, as we have allowed large-scale cotton farming to develop in the West?

There may be geographical reasons why that could not be done in the South. But I recall the burley tobacco situation. When we began to deal with it, the average burley tobacco farm comprised 10 acres, which, I understand, was then considered a large burley tobacco farm. But now—because of the necessity of protecting the small farmers—we have achieved an average burley tobacco farm of less than 3 acres.

Are we really helping such farmers in the South, by year after year enacting legislation to take care of a situation which I doubt can ever be improved?

I shall welcome an answer from any of my colleagues from the South.

Mr. ERVIN. Mr. President, if my colleague will yield to me, I believe I can state an answer.

Mr. JORDAN. I yield.

Mr. ERVIN. The chief problem in this field is fundamentally a human one rather than an economic one, although the two are intertwined. It is illustrated by the situation in my State. In North Carolina, approximately 48,000 cotton farmers have cotton acreages in the neighborhood of 4 acres or less. Many of them are Negroes who are advanced in years. Many of them are white persons who are advanced in years. Farming is the only thing they know how to do. They do not have enough capital to be able to farm on a large scale, and in many cases they have reached such an age that it is not possible for them to be reeducated for some other type of employment.

Mr. GOLDWATER. Mr. President, at this point will the Senator from North Carolina yield?

Mr. ERVIN. I yield.

Mr. GOLDWATER. The point my colleague has made fairly well reaches the meat of the matter. I understand that aspect of the situation, having spent part of my life in the South. But today can a farmer in the South really make it on a 2-acre or 3-acre or 4-acre cotton farm? Is such a farmer merely existing, at best; or is he able to make a living? For instance, is he able to send his children to school; is he able to purchase an automobile; is he able to have some of the better things of life?

Mr. ERVIN. His children are able to attend school, because in North Carolina the State supplies the textbooks for all schoolchildren. Furthermore, in most instances the school-lunch program, which is financed in part by the Federal Government, and other programs, furnish aid to his schoolchildren.

But I would say that the pending measure provides a practical way to aid small cottongrowers under present circumstances. My State is attempting to handle this situation by teaching farmers in this category to engage as much as possible in a form of agriculture whereby they will raise food crops. We have a very fine program under our State department of agriculture, whose farm demonstration agents are trying to

teach these farmers ways to improve their status by raising food crops, poultry, and the like.

Most of them live in areas which are fundamentally agricultural, and there are no industries to take care of them, even if they were young enough to be educated to do industrial work. So it is a most serious problem, with which North Carolina is trying to deal, insofar as possible, by advocating, as proposed by Gov. Max Gardner, a live-at-home program, under which they would, insofar as possible, raise chickens, engage in truck gardening, and participate primarily in activities enabling them to secure food sufficient for their families on the farms.

As is true of growers of burley tobacco in some of our mountainous sections, cotton acreage allotments provide the only means by which farmers may receive a small amount of cash in order to buy coffee, sugar, and other commodities they cannot produce on the farm.

Mr. GOLDWATER. I do not want to prolong this discussion, because I realize it is one which could be debated day and night. In my own State or Arizona, in 1950 about 113,000 people were dependent upon agriculture. The latest estimate is that in 1958 about 86,000 to 87,000 people were dependent upon agriculture. Even with that rather sizable decrease in the number of people engaged in farming, income from farming has tripled. Without knowing much, as I have said, about the farming situation in the South, my thought was that if we allowed a continuation of the normal tendency which has existed in this country since its founding, that is, the drifting away from the small farm and the tendency to bigger farms, those affected might become more gainfully employed by working for the larger farmers, or by working as mechanics, for example.

Mr. ERVIN. I think the solution must be a long-range one. The problem is finding its solution, to a large extent, in the children of these farmers being educated and moving elsewhere, to the cities and towns where there is industrial employment. But the farmers who make the problem most acute are those who have reached a point in age where they are not really capable of learning a new vocation.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. JORDAN. I yield to the Senator from Mississippi.

Mr. STENNIS. I desire to add one point to the question raised by the Senator from Arizona. This issue involves not only the man who is on the land today and who, it may be will have passed away by next year, but it involves the land itself and its future. Under the present law, if acreage is lost, it is lost forever. The issue involves the economy of a community and whether it can continue to exist.

Furthermore, I do not think there has been any determination made that we have any right, from a constitutional standpoint, to legislate this acreage out of existence as to an individual or as to future generations. Those questions are involved in this very minor bill, and they

should be added to what the Senator has stated.

Mr. GOLDWATER. I agree with the Senator completely, but is that not in fact what we are doing when we try to say to a farmer—I care not whether he lives in Mississippi, Arizona, or California—"You can plant only X number of acres to cotton"? I have never felt that was in consonance with our concepts of freedom under the Constitution. Without knowing a great deal about the subject, I can say only that the southern cotton farmer has been hurt by cotton acreage allotments, just as the western farmer has been. Fortunately, in the West we are not limited to 2 or 3 or 4 acres. Our last allotment was 360,743.

A most important point has been made by the Senator from Mississippi. I doubt the constitutionality of Congress telling any man in this country what he can or cannot plant.

Mr. STENNIS. That is correct; but the lower the acreage allotment, the more the farmer is hurt.

Mr. GOLDWATER. It is pretty low now.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. JORDAN. I yield to the Senator from Alabama.

Mr. SPARKMAN. I should like to ask the Senator some questions. First of all, with respect to the restriction of 50 acres, as I understand the provision, no transfer could be made to anyone whose total planting would be more than 50 acres. Is that correct?

Mr. JORDAN. That is correct. The total acreage, including his own planting and what he has leased, cannot exceed 50 acres.

Mr. SPARKMAN. I understand the purpose for which the provision was made—at least, I believe I do. In other words, it is to hold down additional acreage in order to prevent overproduction as much as possible, while, at the same time, giving some relief to the small farmer. I wonder if the weight of the argument is not, on the other side, that it is primarily farmers with larger acreages who are going to be interested in buying these leases, and if the small farmer would not be better served without the amendment, rather than with the amendment. I just wonder what the reasoning of the committee was.

Mr. JORDAN. I am glad the Senator has raised that question. The committee started out with a proposal of a much higher acreage. It seemed to be the consensus that what was decided on was as high an acreage as we could get the Department of Agriculture to accept. I may ask the chairman of the full committee if that is a correct statement.

Mr. ELLENDER. Yes.

Mr. SPARKMAN. This proposal is made, then, in view of the opposition that has been shown by the Department of Agriculture?

Mr. JORDAN. We do not think the Department will oppose this bill as such.

Mr. SPARKMAN. It was the consensus of the committee that by proposing the acreage mentioned it was perhaps picking the only way which would

furnish any hope of getting the legislation enacted.

Mr. JORDAN. I think that is correct.

Mr. SPARKMAN. Let me ask the distinguished Senator from North Carolina another question. The bill as it comes before the Senate covers 3 years, namely, 1959, 1960, and 1961. Of course, early in the year many of us proposed legislation in an effort to make the law effective for 1959. The Senator has no idea when the House will act on this measure, I presume.

Mr. JORDAN. No; I have not.

Mr. SPARKMAN. Is it likely that the bill could become law, let us say, earlier than May 1?

Mr. JORDAN. We will try our best.

Mr. SPARKMAN. The point I am trying to get at is this: Under the law as it stands—I do not know whether my statement applies to other commodities, but it applies to cotton—cotton farmers may release to their county committees for reallocation acreage they are not going to plant. The time limit for doing that in northern Alabama was April 1. For southern Alabama it was about March 20. I believe those are the correct dates. I presume that it is late all over the cotton area, not only from the standpoint of the time limitation in the bill, but from the time limitation imposed by the planting of the crop itself in the section of the State where I live. I presume cotton farmers in southern Alabama are already planting, and perhaps they are through planting. Within a week or 10 days, cotton farmers will be planting in the extreme northern area of Alabama.

The question I should like to ask the distinguished Senator from North Carolina is this: Does the Senator believe that any practical benefit can be derived by making the bill applicable to this year? Benefit could have been derived earlier in the year, but are we not past that time?

Mr. JORDAN. I believe the Senator is correct as to his State of Alabama, and as to Texas and Mississippi, where cotton has already been planted. I do not think it could possibly affect this year's planting.

Mr. SPARKMAN. There is not a great deal of cotton planted where I live, so I was gaging the whole area by the time limit. I am seeking advice on this matter. I wonder if it would not be better to change the dates, and to make the bill provide for 1960, 1961, and 1962.

Mr. JORDAN. I would have no objection to that.

Mr. JOHNSTON of South Carolina. Mr. President, as chairman of the subcommittee let me say that this bill might help some people this year. If we want to provide another year, we have 2 more years in the future to consider that matter. The bill was reported with the years stated.

Mr. SPARKMAN. Yes. The bill was reported March 18.

Mr. JOHNSTON of South Carolina. March 18.

Mr. SPARKMAN. That is nearly a month ago.

I would have agreed with the distinguished chairman of the subcommittee

at that time. The question I am asking now is, will passage of the bill have any practical value at this time? Even though the provisions might be applicable to a few farmers, what will happen with regard to all the others?

For instance, in my State there has been a rather encouraging action on the part of the farmers who are not going to plant their acreage by their releasing acreage to the county committees. When the farmers release the acreage to the county committees they get nothing.

Mr. JOHNSTON of South Carolina. Mr. President—

Mr. SPARKMAN. May I complete this statement, please? The farmers get nothing for that. It seems to me if we keep "1959" in the bill there should be something to provide for going back and picking up those farmers who have released their acreage. Otherwise, we will have discrimination as among the planters, with respect to those to whom allotments have been given in one area as against another.

Mr. JOHNSTON of South Carolina. Mr. President, I think the Senator from Alabama has raised a good question, and we should consider it well. At the same time, we are trying to protect the cotton acreage of the small farmer and trying to keep him from losing the historical record of his acreage. If some provision were incorporated in the bill to carry forward his history on the acreage, I think it would be all right. We should not let the farmer lose the history on his acreage for this 1 year.

Mr. SPARKMAN. I should like to ask the chairman a question on that very point.

I make the suggestion that under the law of today the acreage is protected through this year.

Mr. JORDAN. The Senator is correct.

Mr. SPARKMAN. The only benefit which could possibly accrue to the farmer this year would be the privilege of leasing his property. The acreage is already protected, but the law expires this year.

Mr. JORDAN. The Senator is correct.

Mr. SPARKMAN. If we should change the dates to 1960, 1961, and 1962 we would not only continue the protection against the loss of acreage but also would make it possible for the farmer to lease the unused acreage during those 3 years.

Mr. JORDAN. I have no objection to that procedure.

Mr. SPARKMAN. Mr. President, if that sounds reasonable to the members of the committee I should like, at the proper time, to offer an amendment to make that change.

Mr. HOLLAND. Mr. President, I hope the distinguished Senator will not offer such an amendment. My reason for making the statement is that we had a very long and involved discussion of this whole subject matter in the committee. We encountered opposition from members of the committee who come from the wheat-producing areas, from the corn-producing areas, and from other areas, with respect to this proposed legislation.

The Department had turned down the proposal categorically in its original form. We endeavored to report the bill in some form on which we could get general agreement. We spent a long time on the matter.

I would be reluctant to have the bill changed, particularly in view of the fact that for the additional year of 1962 there is plenty of time for us to legislate, and in further view of the fact that we are trying an experiment to see how the proposed program will work and to see if we can help some of the very small farmers who need help.

I say to the Senator from Alabama, this is not the first time we have passed legislation after planting time. I remember one year when all of the Florida acreage—it is not a heavy acreage, only some 37,000 acres—had been planted before the legislation was passed. I think in that year an amendment was offered by the distinguished Senator from Mississippi [Mr. STENNIS] to protect the small acreages. I do not remember the exact provision, but a provision was adopted too late to be of help to my State.

I think we will encounter a similar situation almost any year. I think the provisions apply to a sufficient acreage in the Carolinas, Tennessee, Virginia, north Alabama, the hill section of Mississippi, Arkansas, Missouri, Oklahoma, and Texas so that passage of the bill would be very helpful. I would dislike to see written into the bill a provision which would be regarded as a change in the coverage of the bill.

The members of the committee will recall that representatives of the Department of Agriculture were present when this matter was considered and we frequently asked for their opinions as to what they could recommend. We finally got those representatives to recommend what was worked out.

I am not going to oppose the amendment if the distinguished Senator offers it, because I well recognize his good objective, but I think he would be injecting a troublesome factor.

In view of the fact that there is so much time available to accomplish the inclusion of the additional year, if we find the program works out well, I hope the Senator will not offer the amendment.

Mr. SPARKMAN. Mr. President, will the Senator from North Carolina yield to me for 1 minute?

Mr. JORDAN. I yield to my distinguished colleague from Alabama.

Mr. SPARKMAN. I certainly do not propose to offer an amendment which is not generally acceptable to the committee, because I realize the committee members worked hard on the bill. Furthermore, I know that when the House considers the bill there will be an opportunity to make such a change if it seems necessary or helpful.

In answer to the point raised by the Senator from Florida, let us consider the cotton planters in my immediate area of Alabama. The farmers in my home county, in the southern part of the county, will start planting within the next 10 days. The cotton planting will con-

tinue pretty well through the middle of May.

Let us suppose this proposed legislation becomes law by the first of May. That would mean, I presume, those farmers who had not planted at that time could lease their land and be paid for it, whereas the farmers who prior to that time had released their land to the county committee would get nothing.

I should dislike very much to see something done which would create friction among the farmers themselves, and I certainly have no wish to project any amendment which might cause dissension in the committee. I know the committee has considered this matter carefully, and I realize that the House committee has time to consider a change if it should appear to them a change should be made. Therefore, I shall not propose the amendment.

Mr. JORDAN. I thank the Senator from Alabama.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JORDAN. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, it is true that most of the cotton will be planted by the first of May, but I think every Senator who has lived on a farm knows that very often something happens to the cotton which has been planted and it does not come up properly, which makes necessary a replanting. Sometimes cotton has to be planted as late as June 1.

Therefore, under these circumstances I think there might be a great many cotton farmers who could dispose of some of the acreage, even if the bill should not be passed until late in May. I thought I would invite attention to that.

The bill will not affect too many farmers. A great many farmers have already planted and have already made preparations, but there are a few farmers who have not considered it economical to plant the 2 or 3 or 4 acres they have. Most of the farmers who will make use of the legislation have under 5 acres. Those who have 6 or 8 or 10 acres probably thought it economical to proceed to plant, and probably have already planted and are taking care of the acreage themselves. It is mostly the very small farmer who has 3 or 4 or 5 acres who needs this relief at the present time. It does not mean very much. The small farmer will probably lease 3 or 4 acres for approximately \$10 an acre, and that is about all he can get out of it, to tide him over. Senators can see why he went into the soil bank when he was getting approximately one-third of a bale to the acre, which would mean \$50, as contrasted with the \$10 which they are getting at the present time. That is about what the ratio would be.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. ERVIN. I commend my able colleague the junior Senator from North Carolina on the fine work he has done in connection with this problem, and I assure him that in my judgment he has

rendered a very substantial service to agriculture, not only in North Carolina, but in all other States having the same problem. I commend him for his very fine work.

Mr. JORDAN. I thank the Senator.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. THURMOND. I wish to take this opportunity to congratulate and commend the distinguished and able junior Senator from North Carolina for introducing this bill. Several years ago I had the pleasure of joining the Senator from Mississippi [Mr. STENNIS] in supporting a similar bill, and I was pleased to join the distinguished Senator from North Carolina in cosponsoring this measure.

By introducing this bill, the able Senator from North Carolina has shown his deep interest in the small farmers of the Nation. He has manifested a commendable desire to help the class of people who are receiving the smallest income of any segment of our population.

We are all aware that farm productivity has increased materially in recent years as a result of the application of new and improved farm methods and machinery. The application of these new methods and machinery make it economically impractical and inefficient to operate a farm below a minimum acreage, the exact size of the minimum acreage being dependent on the crop and the soil fertility. Yet many of our small cotton farmers are now being allotted less than 10 acres, and in some cases, 2, 3, or even 1 acre. Such a program is responsible for the creation of what some mistakenly refer to as the marginal farmer. In reality, they are referring to the farmer who is forced to undertake an economically infeasible farming operation, and to depend on Government subsidy to remedy his assured loss. He has no choice. He is trained and experienced as a farmer, and his worldly goods are invested in a farm. On his training, experience, and investment depend his and his family's livelihood, be it ever so meager.

S. 1455 would allow a farmer with less than a 10-acre allotment to rent his acreage allotment to a neighbor. This is certainly a step in the direction of remedying this tragic situation. Under the provisions of this bill, a farmer with a small allotment could realize some income from the rental of his allotment, and at the same time, he could have his time free to supplement his rental income. His neighbor, now in the same tragic circumstances, could, under the terms of the bill, by renting other allotments, obtain sufficient acreage on which to conduct an efficient and profitable farming operation.

Since rentals are restricted by the bill to county units, in any one of which soil productivity is relatively equivalent, there will be little, if any, addition to the surplus of the crop. At the same time, this bill marks a slackening of pace in forcing inefficiency and ultimate extinction on the small farmer, while increasing his chances for averting abject poverty. Although the bill will certainly not

solve all of his problems, it will be of immeasurable benefit to small cotton farmers. As one of the original cosponsors, I am proud of the opportunity to support this legislation.

Mr. STENNIS. Mr. President, I support the bill which the Agriculture and Forestry Committee has reported, authorizing the lease of cotton acreage for the years 1959, 1960, and 1961 on a year to year basis. I regret that limitations have been placed on the size of farms eligible for leasing allotments as this sharply narrows the objectives of this bill. However, even with these limitations, it would be of assistance to a great many small farmers.

Under present law, cotton allotments can in effect be leased to other farms. It is my understanding that this is being done in many areas and especially by farmers who critically need additional acreage to better use their land, labor, and machinery. It is my understanding that when farms are close together and the same labor and equipment can be used on both farms, the county committee has authority to even transfer the cotton allotment to another farm after the first year of a 3-year contract. All we are, in effect, asking for in this bill is to simplify the procedure whereby the small farmers can participate easier in leasing their allotments.

There are other ways which allotments can be transferred under present law from one farm to another under certain circumstances. For example, a cotton farmer who needs additional acreage can buy a farm with a cotton allotment, and with permission of the county committee can have the two farms combined. Under this arrangement the cotton allotment can be planted at any location on either farm.

Mr. President, cotton allotments released to the county committee can also be transferred to other farms, but there is some hesitation on the part of farmers to release cotton allotments for reapportionment to other farms. Present law protects acreage history credits for 1957, 1958, and 1959 even though it is not planted. However, farmers would lose their history under other provisions of the law if they released their acreage to the county committee for 3 consecutive years.

S. 1455 would enable the very small farmer to accomplish the transfer of acreage to another farm with less red tape and confusion. It could be done on a much more efficient basis and would give these very small farmers an equal chance to participate. This bill would simply permit the owner of a farm having an allotment of 10 acres or less to lease his allotment to a neighbor or any other farmer in the county, provided the combined allotment would not exceed 50 acres. This would assist in returning some of our idle acres to production.

It is unlikely that this bill would pass in time to give any real benefits for the 1959 crop year. Therefore, I am hopeful that this bill will be amended to include the 3-year period of 1960, 1961, and 1962.

There is great concern in many areas of the Cotton Belt that cotton acreage that was placed in the soil bank will be

left idle in future years. If this situation should come about, the unplanted acreage would materially reduce income in the county. S. 1455 would assist in getting much of this acreage planted and thereby make a greater contribution to the farmers involved as well as to the local economy.

The operation of the present law has reduced acreage allotments to such an extent that cotton farming in many cases is carried on on an inefficient basis. This bill, while not going as far as my original bill (S. 569) authorizing the leasing of acreage to all farmers within county lines for a period up to 5 years, it would assist the small farmer and it would assist in getting the maximum acreage of cotton to be planted within a county. Farmers who need more acreage for better utilization of their land, labor, equipment, and other resources could get additional acreage and thereby operate a more efficient and more economical unit. The owner would benefit by rentals, and leasing of allotted acreage would not add to the cost of the present program.

Mr. President, I hope that the Senate will give full approval to this bill. I congratulate the distinguished Senator from North Carolina.

Mr. KUCHEL. Mr. President, I am bound to observe that the Department of Agriculture has interposed objections to the bill, citizens of California oppose it, and in voicing objection to it, let the record show I speak for my colleague [Mr. ENGLE] and myself.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. HOLLAND. I think the distinguished Senator is mistaken, because the objections which were originally made were to the first wording of the bill. The experts of the Department who sat with us stated to us that in the redrafted form they saw no objection to it.

Mr. KUCHEL. I have a few questions which I should like to ask my able colleague [Mr. JORDAN] the author of the bill. While I am doing so, I ask my friend from Florida to peruse the letter which I have received from the Department of Agriculture on this subject.

Is it the intention of the bill to permit a person who owns not more than 10 acres of land upon which there is a cotton allotment to lease the allotment to another cotton farmer who, when he leases the acreage, will still have a cotton allotment of not more than 50 acres?

Mr. JORDAN. Yes. That is what the bill provides. Including his own acreage, he can lease only enough acreage to make a total of 50 acres.

Mr. KUCHEL. I am interested in the citizen of the Senator's State who has 10 acres, and who has a cotton acreage allotment on those 10 acres. Am I to understand that he would have the right to plant his own acreage?

Mr. JORDAN. Yes; he would have the right to plant on his own land, but he would have to lease someone else's land if he were to plant more than 10 acres.

Mr. KUCHEL. On page 2 of the report of the Committee on Agriculture

and Forestry, I find the following language:

Arguments advanced in support of the bills were as follows:

1. Small cotton farmers participated in great numbers in the acreage reserve program and substantially retired from cotton production. They are now not in a position to plant and will receive little or no benefit from their allotments unless this legislation is passed. Passage of this legislation would permit them an adjustment period until they could get back into cotton production.

I ask my friend, Does not that indicate that the farmer who could benefit by leasing his acreage allotment up to 10 acres does not now have the legal right to plant on his own land?

Mr. JORDAN. Yes—

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. HOLLAND. The wording does not so indicate. It merely indicates that the man who has had his land fallow for 2 years, and has moved off the land to work in a cotton factory, a cotton mill, a store, or somewhere else, is not practically in a position this year to begin cultivating that little acreage of 10 acres or less. Practically, he cannot do it; but he does have the right to plant it. Otherwise, there would be nothing to lease.

Mr. KUCHEL. Let me ask the able Senator from Florida this question: Why can he not plant now, and receive a benefit from his allotment?

Mr. HOLLAND. Because he is working for someone in a job which he does not wish to give up. He is eking out a bare existence. Perhaps he has moved his wife to the little town nearby, and is working there as a wage earner. A great many of these people are people of most modest attainments. They work for wages. Many of them are colored people. They are not in a position to tear up their roots and go back and replant their land, consisting of 6, 8, or, at the most, 10 acres. It is not a practical thing for them to do.

Mr. KUCHEL. What was the incentive for that individual to get out of cotton farming?

Mr. HOLLAND. The land bank. The acreage reserve program of the land bank offered him the right to put his entire acreage, consisting of a small tract, into the acreage reserve program, and to receive what the Government estimated he could have made out of it if he had not done so.

The objective was, first, to diminish the total amount of production; and second, to take care of people in that unenviable position until they could get back on their feet.

As I see it, in many cases this is nothing more than an offer to help a little further in the readjustment which is underway.

In my own State much of the acreage in the classification we are discussing is being disposed of in one of two ways—first, by purchase by large timber companies who are foresting the land. Of course, no farmer with only a few acres can go into the forestry business.

Second, by purchase for grazing purposes. The same comment applies there. It requires a much larger acreage and a much greater investment of capital to go into that business. These people are being given a little more time to reorganize their lives and get started again.

Mr. KUCHEL. If the intent of the acreage reserve program legislation was to retire acreage from cotton production, is it fair to say that the intent of the proposed legislation is to put it back into production?

Mr. HOLLAND. It is not fair to draw the first premise. The intent was never, through the acreage reserve program, to take acreage out of any program. It was to make the land lie fallow, with the idea of cutting down production for the year involved. As compared with the conservation part of the soil bank, the acreage reserve program was always quite temporary, operating from year to year. A farmer could elect to put his small acreage in the program for the first year. If he did not like it, he could come back and pick up the tattered skeins and go to work again as a farmer. However, he could not extend it beyond the life of the acreage reserve program, which was itself a limited program.

Mr. JORDAN. The pending bill also provides that when a lease is made to another person the land must remain fallow. It is not possible to turn around and plant corn or any other crop which is protected under the farm program. It is not permitted to increase one crop when another is taken out of production. That is a provision in the bill. That is the reason for the penalty of 150 percent.

Mr. HOLLAND. The Senator from North Carolina is correct. One of the objectives of the committee was to prevent the building of a program under which some other group, producing tobacco, corn, vegetables, or some other crop such as small grains, could come in and cultivate that same land.

Mr. KUCHEL. I should like to ask my friend from Florida, for whom I have the highest respect, particularly in this field, whether there will be a surplus of cotton in the United States this year.

Mr. HOLLAND. I have heard it expressed both ways. No one knows, because no one knows what the seasons will be. The chances are that there will be a limited production of cotton. I should like to say to my friend from California that, regardless of what is produced this year or in any year in the future, the purposes of the acreage reserve program, the land bank, were limited as to the years covered. The purposes have been completely fulfilled. They were, in the main, to cut down the production of cotton, which could be put under that part of the Soil Bank for the particular years in which the acreage was placed under the program.

Mr. KUCHEL. Has the Senator from Florida had an opportunity to look at the memorandum which I received from the Department of Agriculture? Is it fair to say, on the basis of the memorandum, which was sent to me with the covering

letter of the Department of Agriculture of March 23, that the Department of Agriculture objects to the bill?

Mr. HOLLAND. It is fair to say that the memorandum sent by Mr. McLain points out the only objection which I consider a proper objection to the proposed legislation. The committee knew about it. The objection is that there will be a cutoff place. Of course, if we are to have a program of this kind, limited to helping the few people who are in the weakest position, it is necessary to have a cutoff place.

A farmer who has 12 or 15 acres of land does not need the help as badly as does a farmer who has less than 10 acres. The committee, in the best judgment it could exercise, and with the best motives, picked the 10-acre limitation as the one which should be used. Mr. McLain calls attention to the fact that it is an arbitrary cutoff place, with which I would not contend at all. That is the fact.

Mr. KUCHEL. I thank the Senator from Florida. I ask unanimous consent that the objections to the pending bill, S. 1455, as prepared by the Department of Agriculture, be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

COMMENTS ON S. 1455, A BILL TO AUTHORIZE THE RENTAL OF COTTON ACREAGE ALLOTMENTS

1. Cotton is in surplus supply at the present time and it appears that production during the 1959-60 marketing year is quite likely to exceed domestic consumption and exports. The bill would result in a certain portion of the cotton allotment being planted which otherwise would not be planted. To the extent this occurs, the bill would therefore increase our supply of cotton as well as the cost to the Government in carrying out the price support and surplus disposal programs.

2. Farm allotments are established to fix for each eligible farm its share of the national marketing quota. Generally, the size of the farm allotment is in relation to past cotton plantings on the farm. A farm allotment represents a right to plant cotton. The provision of the bill, which limits transfers of allotment from farms having allotments of 10 acres or less seems to imply that all farms in this size range constitute uneconomic cotton-producing units and are therefore entitled to additional preferential treatment over slightly larger cotton allotment farms. This arbitrary breaking point would undoubtedly lead to dissatisfaction among farmers having allotments over 10 acres, particularly in those counties where these farmers have had their allotments reduced sharply in the process of establishing minimum farm allotments for the 10-acre and less allotment farms.

3. The provisions of the bill which are designed to prevent a farmer from transferring his cotton allotment to another farm and then increasing his acreage of annually tilled crops would add a new type of restriction to a program that is already heavily burdened with complex procedures.

4. As pointed out in the report of Subcommittee No. 3 (p. 1 of S. Rept. 115 on S. 1455), present law provides several methods under which cotton allotment may be transferred from one farm to another. These methods appear adequate.

Mr. STENNIS. Mr. President, the Senator from Arkansas [Mr. FULBRIGHT] is very much interested in the pending

bill, and has prepared a speech on it for delivery on the floor of the Senate. He is detained in the Committee on Foreign Relations by important business, which is very demanding in its nature, and he has asked that his speech be printed in the RECORD. I ask unanimous consent that the text of his remarks be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

I am very much in favor of the objectives of the pending bill to authorize rental of cotton acreage allotments. I am a cosponsor of S. 545, which is one of several plans studied by the Committee on Agriculture on this subject before it reported out the pending bill.

Under the present law, farmers are permitted to rent acreage allotments, but they must produce the crop on the farm to which the allotment was assigned. This naturally results in an uneconomic method of production, and there has been much agitation to permit the rented acreage to be grown on the lessor's farm. I have received many letters from Arkansas farmers in support of legislation along these lines. Several county farm bureaus have advised me of their support for this legislation. The Agricultural Council of Arkansas, composed of many cotton producers in the State, has favored this type of legislation.

The bill under consideration today is a modification in several respects of the bill introduced by Senator JORDAN, which I cosponsored. The bill limits the lease authorization to farmers having allotments of less than 10 acres and situations where the lessor's acreage combined with the lessor's own allotment does not exceed 50 acres. The transfer can only be made between farms in the same county.

Another important provision in the bill provides that the transferred allotment will be subject to the choice of the allotment and support plan originally elected by the lessor. In order to prevent a disruption of the historic basis for the allotment program, the bill provides that the rented acreage would still be credited to the farm from which the allotment was rented, as if it had been actually planted.

The rental provisions will be of substantial assistance in enabling cotton to be produced on the most economic farm units. Many small cotton farmers participated in the acreage reserve program and are not now in a position to plant. They will receive little benefit from their allotment unless this legislation is approved. The bill will protect these small farmers by preserving their current acreage history. The legislation will also result in a larger percentage of the total allotment being planted, since many small farmers do not plant their allotment and ultimately the farmer, the county, and the State lose this amount as acreage history.

The cotton planting season is now underway, and I cannot overstate the need for immediate action on this bill. The farmers must know as soon as possible whether they can plant rental acreage on their own farms.

I hope that the Senate will pass this bill today, and that the House will take it up for action at once.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

"(c) (1) Notwithstanding any other provision of law, the owner or operator of a farm for which a farm acreage allotment for upland cotton of ten acres or less is established under the provisions of this section may rent, as provided in paragraphs (1) and (2) of this subsection, such allotment, or any portion thereof, to any other owner or operator of a farm in the same county for use in the same county on a farm for which the acreage allotment for upland cotton does not exceed fifty acres. As used in the foregoing sentence, the term "allotment" includes the allotment for the farm as increased by allotments rented under this subsection, but does not include any increase resulting from the election of choice (B) under section 102 of the Agricultural Act of 1949. When the operator of any farm on which a rented allotment is to be used has elected choice (A) or choice (B) with respect to any allotment for any year, that choice shall be applicable to all allotments used on all farms operated by him for such a year, without regard to any election made by the operator of the farm from which any such allotment was rented. If the operator of the farm on which a rented allotment is to be used shall not have notified the county committee of his election within the time prescribed for such notification for farms within the county, he shall be deemed to have chosen choice (A).

"(2) Any such rental agreement shall be made on such terms and conditions, except as otherwise provided in this subsection, as the parties thereto agree: *Provided*, That no such agreement shall cover allotments made to any farm for a period in excess of one crop year, renewable each year.

"(3) No rental agreement shall be effective until a copy of such agreement is filed with the county committee of the county in which the acreage allotment is made.

"(4) The rental of any acreage allotment, or portion thereof, shall in no way affect the acreage allotment of the farm from which such acreage allotment, or portion thereof, is rented or the farm to which said acreage allotment, or portion thereof, is rented; and the amount of acreage of the acreage allotment rented shall be considered for purposes of future State, county, and farm acreage allotments to have been planted on the farm from which said acreage allotment was rented in the crop year specified in the lease.

"(5) Any farm acreage allotment, or portion thereof, rented under this subsection shall be multiplied by the per centum which the normal yield of the farm from which the acreage allotment, or portion thereof, is rented is of the normal yield of the farm to which the acreage allotment, or portion thereof, is rented.

"(6) The average of crops requiring annual tillage on the farm from which any allotment is rented shall be reduced during the period covered by the rental agreement below the acreage normally devoted to such crops on such farm by an acreage equal to the acreage allotment transferred. The acreage normally devoted to such crops and the amount of the reduction therein required by this paragraph shall be determined by the county committee after taking crop rotation practices and other relevant factors into consideration, and the reduction shall be agreed to in writing by the owner and operator of the farm from which the allotment is rented before the rental agreement may be filed with the county committee. Any producer who knowingly and willfully harvests an acreage of crops requiring annual tillage in excess of that permitted by this paragraph shall be subject to a civil

penalty equal to 150 per centum of the rental provided for by the rental agreement filed with the county committee. Such penalty shall be recoverable in a civil suit brought in the name of the United States.

"(7) This subsection shall apply to the crop years of 1959, 1960, and 1961 only.

"(8) The Secretary shall issue such regulations as are necessary to carry out the provisions of this subsection."

Mr. JORDAN. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HILL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JORDAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFICIT FINANCING—ADDRESS BY SENATOR RUSSELL

Mr. TALMADGE. Mr. President, the Georgia bankers' convention is being held today at Augusta, Ga. The principal speaker is my able and distinguished colleague, the senior Senator from Georgia [Mr. RUSSELL]. One of the greatest problems confronting the Nation today arises from the fact that our Government is spending more money than it is taking in, in revenue.

The senior Senator from Georgia delivered an able speech in which he addressed himself primarily to the particular problem of deficit financing. I ask unanimous consent that his speech be printed at this point in the body of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR RICHARD B. RUSSELL
DELIVERED TO GEORGIA BANKERS' CONVENTION AT AUGUSTA, GA., APRIL 15, 1959

It is a great and happy privilege for me to be the guest today of the Georgia Bankers Association.

This is the first opportunity I have had in several years to leave Washington while Congress is in session in order to be with you on the occasion of your annual convention. I must say I have looked forward to this event with a great deal of anticipation.

I am grateful for this opportunity to pay my respects and express my appreciation to the bankers of Georgia for the continuing contribution that you are making to the welfare and progress of our great State.

Your vital role in the commercial life of the State is too well known to require any reiteration from me. Suffice it to say that you provide the financial underpinning for our entire economy.

Happily, the role of Georgia bankers is not limited to the commercial sphere. You have always been in the forefront of the community and civic undertakings that make Georgia a better place to live and to work.

Indeed, I know of no group with any higher sense of community pride and public spirit than the bankers of Georgia. Our banks are looked upon as something a great

deal more than commercial institutions where money is deposited and borrowed. They are as much a part of the everyday life of the community as the church and the school.

You have earned this high station in our society by your keen awareness of the needs and problems of the people and communities you serve and by the discharge of your responsibility in meeting them. As a result, you have gained the respect, trust, and confidence of all of our people.

Because you are trusted to handle the financial affairs of others, I know that many of you must be deeply concerned by the way the fiscal affairs of the Federal Government in Washington are now being handled.

There is certainly good reason why you should be concerned.

Federal spending during the current fiscal year will be exceeded only by the peak years of World War II when this country was engaged in a desperate struggle for survival. It will almost double the entire cost of the New Deal Recovery programs from 1933 to 1939.

The already staggering national debt appears likely to hit another alltime high as a result of the largest peacetime deficit in history. The Federal Government has wound up in the red in every year but five since 1930.

Inflation, fostered and encouraged to a large degree by Federal fiscal policies, continues to cheapen the value of the dollar. This threatens incalculable harm to the national economy.

These harsh facts of financial life constitute a constant menace to the soundness, solvency, and security of our Nation at a time when we are under dire threat of Communist tyranny from abroad.

The menace goes to the heart of our great American system. Unless we put our financial house in order—and do so quickly—we may wake up some morning to find that our system of free enterprise and individual freedom and initiative has been transformed into a system of State socialism.

Today—the last day for paying last year's Federal income taxes—seems an appropriate, if painful, time for taking stock of how far we have traveled down the bleak road of fiscal irresponsibility. History records that we have proceeded quite some distance.

Since 1930, the Federal budget has grown from a relatively modest \$3.3 billion dollars to the current year's \$80 billion. Federal spending did not climb into the \$10 billion a year class until the approach of World War II in 1941.

During the same period, the national debt has skyrocketed from \$16 billion in 1930 to about \$285 billion this year. It is hard to believe that during the late 1800's, Presidents Arthur and Cleveland were troubled by surpluses rather than deficits.

This period of spectacular growth in Federal spending and the steep rise of the national debt has been one of continuous crisis, challenge, and change.

We have weathered wars, hot and cold, and depressions, big and little.

We have seen our population expand by leaps and bounds, and our people crowd into the cities from the farms.

We have seen the advent of the scientific age with its atomic bombs and nuclear power, its jet aircraft and intercontinental missiles, its earth satellites and moon rockets. We are even now standing on the threshold of man's first trip into space.

All these things, of course, have had a mighty impact on Government and on Government spending. They made some deficit financing of an emergency nature essential and unavoidable. There were exceptional circumstances that called for exceptional measures. But we should not have permitted deficit financing to become the rule rather than the exception.

There is a widespread belief that recent tremendous increases in Government spending have been due to the necessity of providing for national defense. This is not the case. The great increases in Federal spending have been in domestic and civilian programs.

In the 5-year period between 1954 and 1959, spending for domestic and civilian programs rose from \$19.1 billion to \$34 billion estimated for the current fiscal year. This is an increase of almost \$15 billion or 78 percent.

By contrast, defense spending this year is only about \$1 billion higher than in 1954. In the intervening years, defense spending was actually below the 1954 level. This includes spending for our own military programs, atomic energy, and foreign aid.

It is interesting to note that estimated spending this year for agriculture is about the equal of the entire Federal budget during most of the individual years of the great depression. In spite of this enormous spending, many of our farmers today are in the worst financial straits of any time since the depression.

If the present trend continues, one noted economist has predicted that total Federal spending will increase about \$10 billion over the next 5 years. He foresees a budget of \$88 billion by 1964.

The time has come to ask ourselves what this spending spree means for the future of ourselves, our families, and our country.

For one thing, it means there is little possibility for any real relief from our present tax burden so long as spending continues to rise. Indeed, the prospects are for higher and higher taxes to keep pace with expanding expenditures.

It is somewhat ironic that Great Britain, a country which we helped put on its feet with financial aid and loans after World War II, last week announced a major reduction in taxes.

The present trend is also certain to mean an ever increasing Federal debt which now amounts to about \$1,680 for every man, woman and child in the Nation. Interest on the debt alone now takes about one-tenth of all Federal tax revenue.

It is also certain to lead to more and more inflation and a cheaper and cheaper dollar which is now worth only about 48 cents by 1939 standards. This could prove disastrous for persons with fixed incomes, for provident investment, for the frugal who have put their security in savings and for prudent business and sound financing.

It will mean the concentration of greater and greater powers in the hands of an already much too powerful Federal Government in Washington. It will further reduce the importance of State and local governments and will increase government controls and interference over private enterprise.

And finally, it will weaken our ability—if not our will—to resist the aggressive designs of the Communists who will never abandon their dream of world conquest.

Certainly, the grave perils inherent in runaway government spending are of immediate and vital concern to every American. All stand to be hurt—business, labor, farmers, professional people, the aged and retired, consumers and every other element of our population.

There is a great deal of talk in Washington about the need for bringing Federal spending into line and balancing the budget. The President has expressed his desire for a balanced budget. So have the responsible leaders in Congress of both political parties.

Unhappily, there has been too much talk and too little action.

To make matters worse, the problem has become heavily clouded by a pall of partisan politics for which both parties and the President are partly to blame.

In the first place, not all of the "spenders" are Democrats and not all the "budget balancers" are Republicans, as some would have you believe. Both parties have some of both.

There is as much difference in the fiscal views and the political philosophy of JAKE JAVITS and BARRY GOLDWATER in the Republican Party as there is between PAUL DOUGLAS and HARRY BYRD in the Democratic Party.

In the second place, the so-called "balanced budget" that President Eisenhower submitted to Congress for fiscal 1960 contains quite a few holes and a good deal of fast bookkeeping doubletalk.

It was based on the assumption that Congress would increase gasoline taxes and postal rates, neither of which is very likely to happen, and on some highly questionable estimates of receipts and expenditures during fiscal 1960.

The Administration has also tried to charge some spending against the current year's budget that rightfully should be charged against fiscal 1960. This is a transparent effort to preserve a theoretical balance in 1960 at the expense of a larger deficit in the current year budget, which is already hopelessly out-of-balance by around \$13 billion or more.

I also believe that the President's 1960 budget puts emphasis on the wrong sort of spending. I cannot agree with him that we should cut back the manpower strength of our own military establishment and defer the necessary research of advanced missiles and other technological weapons in order to increase our foreign aid program.

Since World War II, we have lavished \$65 billion in American resources in countries all over the globe. Though initially sound, I believe we reached the point of diminishing return from foreign aid spending several years ago.

The program is shot through with waste and mismanagement. A recent Congressional investigation revealed an instance in which a motor pool in one country had received 44 tires for every truck in a single year, while in another country, there was only one carburetor for a certain type truck for an entire army.

In still another country, an American-financed military repair installation was found to be building airplanes for the private use of officers of a foreign army. And in Pakistan, almost \$1.5 million has been set aside since 1953 for grain storage elevators that have not yet been built.

I simply cannot agree with the President that "dollar for dollar" we will receive more security from our foreign aid program than we will from additional expenditures for our own defense establishment.

I believe this is an area in which a tremendous savings can be made to be applied toward our own military strength and toward balancing the budget.

Although the President's budget contains serious defects of judgment and sincerity, President Eisenhower at least has plans to achieve a balanced budget. That is more than can be said for some of the ultra-liberals in the Democratic Party.

Not only are they making no pretense at seeking a balanced budget, but they are urging all sorts of socialistic and social reform spendthrift schemes in the name of bolstering the economy.

This group certainly does not speak for me, nor, I believe, a majority of our party.

It is high time for the responsible leadership in this country to make clear to the American people the impossibility of getting something for nothing.

It will require great political courage on the part of the President and the Congress to restore fiscal responsibility. It will require a President who will first set the example by

cutting the ever-increasing White House expenditures and then demand that his appointed heads cut the costs of every agency over which the Cabinet exercises administrative control.

It will mean that the Congress must have the courage to stand up against the pressure groups who demand new spending. It will necessitate self-restraint on the part of State and local governments and the many organizations throughout the country who have their pet projects which require Federal spending. They must recognize that many of the activities they press in Washington can be administered more economically by State and local governments.

I am aware that such a course of action sounds good in theory but would be most difficult to achieve in practice. It would necessarily result in the elimination and curtailment of many programs and projects that are immensely popular with various segments of the population.

Here we are up against the old story in trying to reduce Government spending. Everybody is in favor of cutting the other fellow's program, but not his own. Everybody agrees that nonessential spending should go, but nobody can agree on what is nonessential.

I have been amazed time and time again to see citizens justify some public works projects for their own communities with which they are familiar as being essential and, at the same time, apply the label of "pork barrel" to other projects in other communities.

This is an understandable human trait. But here is where the sacrifices must be made if we are to have meaningful reductions in Federal spending.

There is but one solution to the problem of balancing the budget. We must cut the garment to fit the cloth. Federal spending must be kept within available revenue.

In the painful cutting process, there must be one simple and inflexible principle of putting first things first. All spending proposals must be measured against the national interest. Those that do not measure up, must be postponed or abandoned.

The security and survival of our country must come first.

LOW PRICES FOR EGGS

Mr. HUMPHREY. Mr. President, I wish to call attention to another instance of the hard times which come unexpectedly upon farmers and to the attitude of the Secretary of Agriculture toward their misfortune.

On April 1 I began to receive letters and telegrams and long-distance calls from egg producers in Minnesota informing me that grade A eggs were selling at prices far below the cost of production, and asking that I take action to get some assistance from the Department of Agriculture. I shall read one letter and one telegram as examples.

ELKTON, S. DAK., March 26, 1959.

Senator HUBERT H. HUMPHREY,
Washington, D.C.

DEAR SIR: Today when the egg truck picked up eggs they were paying 18 cents a dozen for large eggs and less for other grades.

I did not sell my eggs today. I could not afford to sell at that price. It cost me more than 18 cents to produce those eggs so I thought I would write to you so you will know what is going on in the egg market as they are very careful not to mention anything like this in news casts or market reports.

Thank you.

Mrs. VIRGIL PORTER.

Mr. President, I should like to have Senators who pay from 55 cents to 60 cents a dozen for eggs in Washington know that the farmers of my State are getting for grade A, top grade, large, fresh eggs, 18 cents a dozen.

The telegram reads as follows:

BENSON, MINN.,
March 31, 1959.

HUBERT HUMPHREY,
Senate Office Building, Washington, D.C.:

Price of eggs in our area 20 cents a dozen for A large. Lots of chick cancellation. Market weak. Request greater school lunch purchases for the next 3 or 4 weeks.

BOB ANDERSON,
Manager, Benson Produce.

Mr. President, egg production is an important business in Minnesota, not only because we have large producers. Almost every Minnesota farmer is an egg producer to some extent. Minnesota is one of the major egg suppliers for the whole country. I think Minnesota is either the second or the third largest egg-producing State in the Nation.

Senators know that the Secretary has the authority to move quickly when a perishable agricultural commodity runs into price trouble. The law provides that a share of import duties, 30 percent is the amount, be made available to the Secretary for this purpose, among others. In past years, this program has provided emergency aid to many a producer of apples, poultry, eggs, and many other perishable commodities. Secretary Benson has used this program, although sparingly.

Therefore, in response to the many earnest requests, and following the usual channel for such action, I wrote to the Secretary of Agriculture asking that a shell egg purchase program be put into effect, and urging that it be done at once, because when supplies of a product flood a market, the price to producers can fall very rapidly and very far. Often, merely the announcement that a section 32 purchase is to be made for the school lunch and welfare programs will have a strengthening effect on the market. Many times the purchase need not be large to get the desired effect.

I ask unanimous consent that my letter of April 2 to the Secretary and the press release which I issued on the subject be printed at this point in the RECORD.

There being no objection, the letter and press release were ordered to be printed in the RECORD, as follows:

APRIL 1, 1959.

The Honorable EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: Telegrams, telephone calls, and letters from egg producers in Minnesota and South Dakota indicate that the shell-egg market price has broken seriously. Farmers are receiving only 18 to 20 cents per dozen for grade A large eggs, a price appreciably below the cost of production. This means that a case of eggs that has cost the farmer \$9 to produce is selling at \$4 per case. Such a price loss can mean only disaster to egg producers.

As you know, the law is quite clear on this point. You have full authority to institute a purchase program for a non-price-supported perishable agricultural commodity under section 32 of Public Law 320. Time

ESTABLISHED BY ACT OF CONGRESS

March 3, 1877
Session of the 45th Congress

AN ACT

To amend the act of March 3, 1877, relating to the

1. The act of March 3, 1877, relating to the
2. The act of March 3, 1877, relating to the
3. The act of March 3, 1877, relating to the
4. The act of March 3, 1877, relating to the

86TH CONGRESS
1ST SESSION

S. 1455

IN THE HOUSE OF REPRESENTATIVES

APRIL 16, 1959

Referred to the Committee on Agriculture

AN ACT

To authorize the rental of cotton acreage allotments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 344 of the Agricultural Adjustment Act of 1938,
4 as amended, is amended by adding at the end thereof a new
5 subsection as follows:

6 “(o) (1) Notwithstanding any other provision of law,
7 the owner or operator of a farm for which a farm acreage
8 allotment for upland cotton of ten acres or less is established
9 under the provisions of this section may rent, as provided
10 in paragraphs (1) and (2) of this subsection, such allot-
11 ment, or any portion thereof, to any other owner or operator

1 of a farm in the same county for use in the same county on
2 a farm for which the acreage allotment for upland cotton
3 does not exceed fifty acres. As used in the foregoing
4 sentence, the term "allotment" includes the allotment for
5 the farm as increased by allotments rented under this subsec-
6 tion, but does not include any increase resulting from the
7 election of choice (B) under section 102 of the Agricultural
8 Act of 1949. When the operator of any farm on which a
9 rented allotment is to be used has elected choice (A) or
10 choice (B) with respect to any allotment for any year, that
11 choice shall be applicable to all allotments used on all farms
12 operated by him for such year, without regard to any election
13 made by the operator of the farm from which any such
14 allotment was rented. If the operator of the farm on which
15 a rented allotment is to be used shall not have notified the
16 county committee of his election within the time prescribed
17 for such notification for farms within the county, he shall be
18 deemed to have chosen choice (A).

19 “(2) Any such rental agreement shall be made on
20 such terms and conditions, except as otherwise provided
21 in this subsection, as the parties thereto agree: *Provided*,
22 That no such agreement shall cover allotments made to any
23 farm for a period in excess of one crop year, renewable each
24 year.

25 “(3) No rental agreement shall be effective until a

1 copy of such agreement is filed with the county committee
2 of the county in which the acreage allotment is made.

3 “(4) The rental of any acreage allotment, or portion
4 thereof, shall in no way affect the acreage allotment of the
5 farm from which such acreage allotment, or portion thereof,
6 is rented or the farm to which such acreage allotment, or
7 portion thereof, is rented; and the amount of acreage of the
8 acreage allotment rented shall be considered for purposes of
9 future State, county, and farm acreage allotments to have
10 been planted on the farm from which such acreage allotment
11 was rented in the crop year specified in the lease.

12 “(5) Any farm acreage allotment, or portion thereof,
13 rented under this subsection shall be multiplied by the per
14 centum which the normal yield of the farm from which the
15 acreage allotment, or portion thereof, is rented is of the
16 normal yield of the farm to which the acreage allotment,
17 or portion thereof, is rented.

18 “(6) The acreage of crops requiring annual tillage on
19 the farm from which any allotment is rented shall be reduced
20 during the period covered by the rental agreement below the
21 acreage normally devoted to such crops on such farm by an
22 acreage equal to the acreage allotment transferred. The
23 acreage normally devoted to such crops and the amount
24 of the reduction therein required by this paragraph shall be
25 determined by the county committee after taking crop rota-

1 tion practices and other relevant factors into consideration,
2 and the reduction shall be agreed to in writing by the owner
3 and operator of the farm from which the allotment is rented
4 before the rental agreement may be filed with the county
5 committee. Any producer who knowingly and willfully
6 harvests an acreage of crops requiring annual tillage in excess
7 of that permitted by this paragraph shall be subject to a civil
8 penalty equal to 150 per centum of the rental provided for
9 by the rental agreement filed with the county committee.
10 Such penalty shall be recoverable in a civil suit brought in
11 the name of the United States.

12 “(7) This subsection shall apply to the crop years of
13 1959, 1960, and 1961 only.

14 “(8) The Secretary shall issue such regulations as are
15 necessary to carry out the provisions of this subsection.”

Passed the Senate April 15, 1959.

Attest:

FELTON M. JOHNSTON,

Secretary.

86TH CONGRESS
1ST SESSION

S. 1455

AN ACT

To authorize the rental of cotton acreage
allotments.

APRIL 16, 1959

Referred to the Committee on Agriculture

AN ACT

to amend the law relating to the

of the

of the

of the

86TH CONGRESS
1ST SESSION

H. R. 7740

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 1959

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 377 of the Agricultural Adjustment Act of
4 1938, as amended, is amended to read as follows:
5 “SEC. 377. In any case in which, during any year be-
6 ginning with 1956, the acreage planted to a commodity on
7 any farm is less than the acreage allotment for such farm,
8 the entire acreage allotment for such farm (excluding any
9 allotment released from the farm or reapportioned to the
10 farm and any allotment provided for the farm pursuant to

1 subsection (f) (7) (A) of section 344) shall, except as
2 provided herein, be considered for the purpose of establish-
3 ing future State, county and farm acreage allotments to have
4 been planted to such commodity in such year on such farm,
5 but the 1956 acreage allotment of any commodity shall be
6 regarded as planted under this section only if the owner or
7 operator on such farm notified the county committee prior
8 to the sixtieth day preceding the beginning of the marketing
9 year for such commodity of his desire to preserve such allot-
10 ment: *Provided*, That beginning with the 1960 crop, the
11 current farm acreage allotment established for a commodity
12 shall not be preserved as history acreage pursuant to the
13 provisions of this section unless for the current year or either
14 of the two preceding years an acreage equal to 75 per
15 centum or more of the farm acreage allotment for such year
16 was actually planted or devoted to the commodity on the
17 farm (or was regarded as planted under provisions of the
18 Soil Bank Act or the Great Plains program): *Provided*
19 *further*, That this section shall not be applicable in any case,
20 within the period 1956 to 1959, in which the amount of the
21 commodity required to be stored to postpone or avoid pay-
22 ment of penalty has been reduced because the allotment
23 was not fully planted. Acreage history credits for released
24 or reapportioned acreage shall be governed by the applicable

1 provisions of this title pertaining to the release and reappor-
2 tionment of acreage allotments.”

3 SEC. 2. Section 344 of the Agricultural Adjustment Act
4 of 1938, as amended, is amended as follows:

5 (1) Subsection (f) is amended by changing paragraph
6 (8) thereof to read as follows:

7 “(8) Notwithstanding the foregoing provisions of para-
8 graphs (2) and (4) of this subsection, the Secretary shall,
9 if allotments were in effect the preceding year, provide for
10 the county acreage allotment for the 1959 and succeeding
11 crops of cotton, less the acreage reserved under paragraph
12 (3) of this subsection, to be apportioned to farms on which
13 cotton has been planted in any one of the three years imme-
14 diately preceding the year for which such allotment is de-
15 termined, on the basis of the farm acreage allotment for the
16 year immediately preceding the year for which such appor-
17 tionment is made, adjusted as may be necessary (i) for any
18 change in the acreage of cropland available for the produc-
19 tion of cotton, or (ii) to meet the requirements of any pro-
20 vision (other than those contained in paragraphs (2) and
21 (6) with respect to the counting of acreage for history
22 purposes: *Provided*, That, beginning with allotments estab-
23 lished for the 1961 crop of cotton, if the acreage actually
24 planted (or regarded as planted under the Soil Bank Act,

1 the Great Plains program, and the release and reapportion-
2 ment provisions of subsection (m) (2) of this section) to
3 cotton on the farm in the preceding year was less than 75
4 per centum of the farm allotment for such year, in lieu of
5 using such allotment as the farm base as provided in this
6 paragraph, the base shall be the average of (1) the cotton
7 acreage for the farm for the preceding year as determined
8 for purposes of this proviso and (2) the allotment estab-
9 lished for the farm pursuant to the provisions of this sub-
10 section (f) for such preceding year; and the 1958 allot-
11 ment used for establishing the minimum farm allotment
12 under paragraph (1) of this subsection (f) shall be ad-
13 justed to the average acreage so determined. The base for a
14 farm shall not be adjusted as provided in this paragraph if
15 the county committee determines that failure to plant at least
16 75 per centum of the farm allotment was due to conditions
17 beyond the control of producers on the farm. The Secretary
18 shall establish limitations to prevent allocations of allotment
19 to farms not affected by the foregoing proviso, which would
20 be excessive on the basis of the cropland, past cotton acre-
21 age, allotments for other commodities, and good soil con-
22 servation practices on such farms.”

23 (2) Paragraph (3) of subsection (g) is hereby re-
24 pealed.

25 (3) Subsection (i) is amended by adding the follow-

1 ing at the end thereof: "Notwithstanding any other pro-
2 vision of this act, beginning with the 1960 crop the plant-
3 ing of cotton on a farm in any of the immediately preceding
4 three years that allotments were in effect but no allotment
5 was established for such farm for any year of such three
6 year period shall not make the farm eligible for an allotment
7 as an old farm under subsection (f) of this section: *Provided,*
8 *however,* That by reason of such planting the farm need not
9 be considered as ineligible for a new farm allotment under
10 subsection (f) (3) of this section."

11 (4) Paragraph (2) of subsection (m) is changed to
12 read as follows:

13 " (2) Any part of any farm cotton acreage allotment on
14 which cotton will not be planted and which is voluntarily
15 surrendered to the county committee shall be deducted from
16 the allotment to such farm and may be reapportioned by the
17 county committee to other farms in the same county re-
18 ceiving allotments in amounts determined by the county
19 committee to be fair and reasonable on the basis of past
20 acreage of cotton, land, labor, equipment available for the
21 production of cotton, crop rotation practices, and soil and
22 other physical facilities affecting the production of cotton.
23 If all of the allotted acreage voluntarily surrendered is not
24 needed in the county, the county committee may surrender
25 the excess acreage to the State committee to be used for

1 the same purposes as the State acreage reserve under sub-
2 section (e) of this section. Any allotment released under
3 this provision shall be regarded for the purposes of estab-
4 lishing future allotments as having been planted on the farm
5 and in the county where the release was made rather than on
6 the farm and in the county to which the allotment was
7 transferred, except that this shall not operate to make the
8 farm from which the allotment was transferred eligible for
9 an allotment as having cotton planted thereon during the
10 three-year base period: *Provided*, That notwithstanding any
11 other provisions of law, any part of any farm acreage allot-
12 ment may be permanently released in writing to the county
13 committee by the owner and operator of the farm, and
14 reapportioned as provided herein. Acreage released under
15 this paragraph shall be credited to the State in determining
16 future allotments. The provisions of this paragraph shall
17 apply also to extra long staple cotton covered by section 347
18 of this Act (7 U.S.C. 1344 (m)).”

A BILL

To amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments.

By Mr. COOLEY

JUNE 15, 1959

Referred to the Committee on Agriculture

A BILL

For the relief of the United States Fish Commission, and for other purposes.

July 23, 1959

\$10,000,000) (H. Rept. 709) (pp. 12819-25)

As reported by the conferees, the bill appropriates \$4,000,000 for civil defense research and development. It appropriated \$152,773,000 for the National Science Foundation including funds for studies concerning weather modification, a feasibility study for a National Institute for Atmospheric Research, and dissemination of scientific information. For GSA, it authorizes \$3,230,000 for operating expenses for the strategic and critical materials stockpiling program, provides that total obligations of funds for the stockpiling shall not exceed \$50,000,000, and provides for the rescission of funds in the materials stockpiling program in excess of \$50,000,000 (pp. 12810-21)

17. **ELECTRIFICATION.** Agreed to a resolution, after voting 243 to 167 to consider the measure, providing for House concurrence in Senate amendments to H. R. 3460, the TVA self-financing bill. This bill will now be sent to the President (pp. 12796-818). Rep. Jones criticized an amendment which Rep. Davis, Tenn. said gives the Treasury "control over both timing and maximum rate of interest but requires that within 7 working days following the date on which he is advised of a proposed sale he must either approve the sale or furnish interim financing." Rep. Jones stated that this amendment "carries the principle of 'backdoor financing' to a ridiculous length, and that that he is opposed to that type of withdrawal of funds from the Treasury (pp. 12798, 12802). Rep. Andersen, Minn., stated that he opposed the enactment of this bill because "the enemies of REA would be in here citing this action as a precedent for REA" (p. 12808). Rep. Fenton criticized the bill because he said it "opens the door for new areas to demand and to be given TVA power" (p. 12833). Rep. Stratton expressed his displeasure at the Senate striking from the bill the Buy American provision. Rep. Davis, Tenn., stated that the provision is "unnecessary since TVA is already subject to the Buy American Act, and Rep. Smith, Miss., inserted a letter from TVA substantiating this (pp. 12797, 12798).
18. **MILK.** As reported S. 1289, to increase and extend the special milk program, increases by \$6 million (to \$81,000,000) in fiscal year 1960 and by \$9 million (to \$84 million) in fiscal year 1961, the maximum amount of CCC funds which may be used by this Department for the program.
19. **FARM LOANS; BANKING.** On July 21 the House Banking and Currency Committee reported without amendment H. R. 8160 (H. Rept. 695). The committee report describes certain provisions of this bill as follows:

"*** increases the limit on borrowing by national banks, from 100 percent of capital to 100 percent of capital plus 50 percent of surplus. Section 3 relates to the limit on loans by national banks to one borrower. Generally, this limit is now 10 percent of the bank's capital and surplus, but there are several exceptions. The bill makes further revisions in this limit, for loans secured by refrigerated or frozen foods, discounts by dealers in dairy cattle, loans secured by U. S. Government obligations, and discounts of consumer installment paper by dealers. Section 4 liberalizes some of the restrictions on real estate loans by national banks. The bill would allow national banks to make real estate loans up to 20 years, covering up to 75 percent of the appraised value of the real estate, if the loans are fully amortized. It would also permit loans on leaseholds that run at least 10 years beyond the loan maturity. Finally, it would relax certain existing restrictions on construction loans, exempt from the usual restrictions on real estate loans any loan fully guaranteed by a State or State authority, and allow a bank to take a mortgage as additional security on certain business loans without thereby becoming subject to the real estate loan restrictions.***"

20. **MUTUAL SECURITY.** The Appropriations Committee was granted permission to file by midnight Friday, July 24, a report on the mutual security appropriation bill for 1960. p. 12795
21. **FOREIGN AFFAIRS; ECONOMIC AID.** Received from the President a communication transmitting a report on Economic Assistance entitled, "Programs and Administration," submitted to him by the President's Committee To Study the United States Military Assistance Program (Draper Committee) (p. 12859). A copy of the text of this report appearing in the New York Times shows one recommendation, as follows: "A single agency should be made responsible for administering the major related economic assistance programs and activities now scattered among a number of departments and agencies in Washington."
Rep. Edmondson and others urged the adoption of a resolution to put into use the Great White Fleet in support of American foreign policy and Rep. Edmondson asked, "'how can we justify further delays in the use of our abundant food surpluses, to relieve the hunger of children all over the world?" and stated that these ships that are now standing idle could be used to transport our food surpluses abroad. pp. 12839-45
22. **FARM LOANS.** The Agriculture Committee reported without amendment H. R. 7629, to amend Sec. 17 of the Bankhead Jones Farm Tenant Act so as to continue indefinitely the authority of FHA to make real estate loans for refinancing farm debts (H. Rept. 707). p. 12859
23. **COTTON.** The Agriculture Committee voted to report (but did not actually report) with amendment H. R. 7740, to provide for the preservation of acreage history and the reallocation of unused cotton acreage allotments. p. D654
24. **SURPLUS PROPERTY.** A subcommittee of the Government Operations Committee voted to report to the full committee H. R. 3722, to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer firefighting organizations. p. D655
25. **WILDLIFE; LANDS.** A subcommittee of the Judiciary Committee voted to report to the full committee H. R. 2725, to prohibit the use of aircraft or motor vehicles to hunt wild horses on land belonging to the United States. p. D655
26. **INTEREST RATES.** Rep. Byrnes, Wis., urged that the President's recommendations concerning the removal of the interest rate ceiling on certain Government Bonds be reported to the floor "so that a majority of the members can work their will," and urged support for such a bill, and Rep. Curtis and others commended and discussed the interest rate proposal. pp. 12845-50, 12853-5
27. **FORESTRY.** Rep. Porter expressed his thanks to the Forest Service and its junior forest ranger program which it started in 1953, commended these and other firefighting and prevention methods, stated that the Forest Service is "building better access roads to forest areas," and inserted two articles on the subject. pp. 12855-7
28. **MINIMUM WAGE.** Rep. Teller stated that "we ought forthwith to act on increasing the national minimum hourly wage to \$1.25 and extending the wage hour law to the 9 million working people who are now denied coverage under the present law." pp. 12858-9
29. **LEGISLATIVE PROGRAM.** Rep. McCormack announced that on Mon., July 27, the House would probably consider H. R. 7022, to provide for U. S. participation in the Inter-American Development Bank, that if the President signs the Mutual Security

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national railroad freight car supply; S. 1845, relating to patents; and S. 1855, increase in acreage for mineral leases in Alaska. pp. 13206-7

HOUSE

14. ACREAGE ALLOTMENTS; COTTON. The Agriculture Committee reported with amendment H. R. 7740, to provide for the preservation of acreage history and the reallocation of unused cotton acreage allotments (H. Rept. 728). p. 13282
15. VETERANS' LOANS. The Veterans' Affairs Committee reported without amendment H. R. 7903, to extend the veterans' guaranteed and direct loan program for two years (H. Rept. 726). p. 13282
16. LANDS; MINERALS. The Interior and Insular Affairs Committee reported the following bills: H. R. 6939, with amendment, to amend the act providing for the leasing of coal lands in Alaska in order to increase the acreage limitation in such act (H. Rept. 716); and H. R. 5849, without amendment, to modify conditions under which Alaska may select lands made subject to lease, permit, license, or contract (H. Rept. 725). p. 13282
17. LAMB GRADING. Rep. Roosevelt commended the Secretary "on his recent decision to retain Federal grading of lamb," and stated that he hoped "that in the future grade standards could be revised to the satisfaction of those concerned without proposing anything as drastic as the abolition of a protection as important as the Federal grading on meat." p. 13271
18. INFORMATION; RESEARCH. Rep. Daddario commended the action of the conferees on the Independent Offices appropriation bill in restoring funds for the translation and dissemination of scientific information and for a study for a National Institute for Atmospheric Research. p. 13272
19. VETERANS' BENEFITS. Rep. Wolf inserted a letter by a college professor favoring enactment of S. 1138, to provide veterans' benefits to those who serve in the Armed Forces between Jan. 31, 1955, and July 1, 1963. p. 13279
20. MUTUAL SECURITY. Began and concluded debate on H. R. 8385, the mutual security appropriation bill for 1960. The final vote was delayed until today (July 29). pp. 13210-68

Rejected the following amendments: (1) by Rep. Alexander, to reduce advances to the Development Loan Fund from \$550,000,000 to \$500,000,000 (pp. 13250-2); and (2) by Rep. Dowdy 53 to 125, to provide that no mutual security appropriations shall be expended if such expenditure will increase the public debt (pp. 13254-5).

A point of order by Rep. Passman on an amendment offered by Rep. Flynt was sustained on the ground that it was legislation on an appropriation bill. This amendment would have provided that no mutual security appropriations could be expended until Congress, by concurrent resolution, found that budget receipts exceeded estimated expenditures, and if not, the appropriations would be reduced accordingly. p. 13254

Rep. Rhodes, Ariz., stated that "another matter requiring long-range planning is that of local currencies. Many of these programs generate local currencies. Public Law 480 generates foreign currencies. It was said in the committee that if this is continued we are going to be 'up to our ears in rupees'" (p. 13235). Reps. Passman and Curtis discussed the large amount of foreign currencies (part of which generated by Public Law 480) on hand (p. 13244).

The bill includes \$550,000,000 for advances to the Development Loan Fund, \$181,500,000 for technical cooperation programs, and \$2,300,000 for the payment of ocean freight charges to move supplies donated to and by American voluntary agencies. Concerning cash grants and loans financed from economic funds, the committee report raises the question as to "whether our foreign policy objectives could not be equally served by the supplying of commodities and services rather than by the use of such cash transactions."

21. WILDLIFE. The Subcommittee on Fisheries and Wildlife Conservation of the Merchant Marine and Fisheries Committee voted to report to the full committee two bills: (1) H. R. 2565 (amended); to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations; and (2) H. R. 7045, to authorize the establishment of the Arctic Wildlife Range, Alaska. p. D677
22. FOREIGN CURRENCIES. The "Daily Digest" states that conferees agreed to file a conference report on H. R. 5674, to authorize the construction at military installations, including the use of foreign currencies under Public Law 480 for foreign military housing construction. p. D678

ITEMS IN APPENDIX

23. FARM PROGRAM. Extension of remarks of Sen. Johnson stating that "... the development of effective and realistic farm programs is important to us in one way -- the preservation of the family-size farm," and inserting an editorial, "Top Future Farmer." p. A6487
- Extension of remarks of Sen. Bridges discussing the farm problem, stating that "the situation is apparently going to get worse before it gets better," and inserting an editorial, "Dilemma." p. A6490
- Reps. Bentley and Jonas inserted results of opinion polls including issues on the farm program. pp. A6493, A6528-9
- Rep. Derounian inserted an article, "The Egg In Politics." p. A6517
- Extension of remarks of Rep. Schwengel inserting an Iowa Farm Bureau Federation's letter to this Department and stating that it outlined "some of the misconceptions which are prevalent about the subsidization of agriculture and the benefactors of these subsidies." pp. A6522-3
- Rep. Multer commended and inserted an article, "What Makes the Farm Problem?" pp. A6531-3
- Extension of remarks of Rep. Levering inserting an article discussing various public issues including the problem of surpluses and farm prices. pp. A6537-8
24. FORESTS; ALASKA. Extension of remarks of Sen. Bartlett inserting an article, "Eighty Percent of Alaska's Forests Burned; Little Protection." p. A6491
25. FOREIGN AFFAIRS. Sen. Monroney inserted an address by Sen. Gore favoring the establishment of a Foreign Service Academy. pp. A6499-501
26. SMALL BUSINESS. Rep. Patman inserted Rep. Roosevelt's speech discussing the problems of small business in the food industry. pp. A6502-3
27. DAIRY INDUSTRY. Extension of remarks of Rep. Westland inserting an article, "Big Changes Coming In Dairying." p. A6506
28. COTTON. Rep. Hemphill inserted an article urging relief for the textile industry. pp. A6508-9

ACREAGE HISTORY AND ALLOTMENTS

JULY 28, 1959.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GATHINGS, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H.R. 7740]

The Committee on Agriculture, to whom was referred the bill (H.R. 7740) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 2, line 10, following the comma after the word "crop" insert "except for federally owned land,".

Page 3, line 8, strike out "(4)" and insert "(6)".

Page 3, line 21, close parenthesis following "(6)".

STATEMENT

H.R. 7740 deals with the acreage history and allotments for crops in the operation of production adjustment programs.

All crops subject to acreage allotments are affected by the first section of the bill which provides that, beginning with the 1960 crop, the entire current farm allotment shall be regarded as planted if during the current year or either one of the 2 preceding years the acreage actually planted or devoted to the commodity on the farm (or regarded as planted because of participation in the soil bank) was 75 percent or more of the farm allotment. Acreage history credited to the farm under this provision also would be credited to the State and county. This procedure was recommended by the Department of Agriculture.

The automatic preservation of history for allotment purposes, which coincided with the authorization of the acreage reserve of the soil bank, expires with the 1959 crops. Unless H.R. 7740 or some other

legislation is enacted, producers of allotted crops beginning with the 1960 crops must plant each year in order to maintain the acreage history for their farms, county, and State. Thus if no action is taken, the result would be an increased production of crops already in surplus.

Other sections of the bill relate specifically to the orderly transfer of unused cotton acreage allotments.

Under H.R. 7740 the unused cotton allotments would be transferred to other farms, first, within each county, and then within the State. Allotted cotton acreage not used within the State subsequently would become available for distribution in other States.

The purpose is to require that a farmer holding a cotton acreage allotment plant it, voluntarily release it to retain the acreage history on his farm, or gradually forfeit it to other farmers who want to use it.

By this legislation, as long as a farm maintains cotton acreage history equal to the farm allotment by planting or voluntarily releasing acreage for use by other farmers, the county and State would not lose any acreage history credit because of any underplanting of the farm allotment. But, to the extent that a farm fails in any year to receive acreage history equal to the farm allotment, the county and State would lose an equal amount of history for that year.

H.R. 7740 would reduce the allotment base of all farms, regardless of size, where operators fail to plant or release at least 75 percent of the allotment each year, and allotments of these farms would shift gradually to other farms with bases which had not been reduced.

Under this bill it is likely that the volume of released allotments would be greater than at present and that more released acreage would be surrendered to the State committees for reallocation within the State.

The parts of the bill relating to cotton allotments and acreage history were worked out at a conference between representatives of cotton producers and officials of the Department of Agriculture. The Department has officially endorsed the legislation in a letter to the chairman of this committee. The committee has received numerous communication from throughout the Cotton Belt, all in support of the bill. The committee held public hearings on H.R. 7740, and all witnesses testified in support of the legislation, not one appearing in opposition.

GENERAL DISCUSSION OF COTTON PROVISIONS

Under present law, beginning with the 1960 crop, by planting as little as one-tenth acre of cotton 1 year out of each 3-year period, a cotton farm can maintain its eligibility to receive annually an allotment not less than the smaller of 10 acres or the 1958 farm allotment. However, the only way a farm which now has an allotment over 10 acres can maintain the full cotton acreage history for the farm, county, and State—and thereby protect insofar as possible the future allotment of the farm—is to plant at least 90 percent of the farm allotment each year.

With every indication that cotton will remain in a surplus supply position in the foreseeable future, it is unreasonable to require 90 percent planting of farm allotments year after year in order that farms with allotments above 10 acres may protect their future allotments. Also, it is unfair that present law will, in the future, penalize cotton

farms now having allotments over 10 acres because of underplanting on farms with allotments of 10 acres or less in the county.

H.R. 7740 permits a farm, county, and State to retain its full cotton acreage history without full planting of each farm allotment each year. This is done by prescribing certain requirements as to planting cotton or releasing unused allotment to the county committee. In general, the bill offers a reasonable plan under which the farmer who is seriously interested in protecting the cotton history for his farm and county may do so. In any case where a farm loses history through not meeting these requirements, there is a corresponding loss of history to the county and State. This results in reducing the allotment for the affected farm and the shifting of allotment to other farms in the county and in other counties in the State and elsewhere on which the full farm history has been maintained.

DETAILED ANALYSIS OF THE BILL

Section 377 of the Agricultural Adjustment Act of 1938, as amended, provides that, for the crop years 1957 through 1959, the entire farm acreage allotment for any commodity shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity on such farm. Where all or part of a cotton, peanut, or rice farm allotment is released for reapportionment to other farms, section 377 provides that credit for such released acreage shall be calculated under the release provisions of the act. Section 377, which is usually referred to as providing for the "automatic preservation of history," was enacted to complement the soil bank programs by permitting a farm, as well as the county and State, to receive full acreage history credit even though only a small acreage or no acreage was planted to the commodity.

Because the several basic commodities for which acreage allotments are applicable are still in surplus supply, the Secretary of Agriculture recommended earlier this year that the automatic preservation provision be made permanent law, with some modification. The Secretary's recommendation is incorporated in the first section of H.R. 7740 and would apply to the 1960 and succeeding crops. Under its terms, acreage history equal to the farm allotment would be preserved for a farm, county, and State if during the current year or during either 1 of the 2 preceding years the acreage planted to the commodity on the farm (or regarded as planted because of participation in the soil bank or Great Plains programs) was equal to 75 percent or more of the farm allotment. For example, if on a farm having a 20-acre wheat allotment for each of the years 1958, 1959, and 1960, no wheat was seeded in 1958, 15 acres in 1959, and none in 1960, the bill would provide for the farm, county, and State to receive wheat acreage history of 20 acres for 1960 because 75 percent of the 1959 allotment had been seeded. Moreover, the bill would provide for preserving the farm wheat acreage history for 1961 up to the amount of the allotment for such year even though no wheat were actually seeded for 1961, since the 75 percent seeding in 1959 would still be in the 3-year farm base period. This example serves to illustrate that the provision is not "automatic" as it was in 1957-59; however, it would afford the same protection to the grower who is sufficiently interested in maintaining the acreage history to plant the required

percentage of the farm allotment one year out of three. This procedure works, therefore, to the benefit of the grower and also assists the surplus adjustment mechanism. If the history for a farm cannot be preserved for a particular year because the planting requirement has not been met in that year or either of the 2 preceding years, the acreage history for that year would be the acreage actually planted plus that regarded as planted because of participation in the soil bank or Great Plains programs or the release of allotment to the county committee. It is to be noted that while a farm would receive acreage history credit for any cotton, peanuts, or rice allotment released to the county committee, this credit would not be taken into account in determining whether at least 75 percent of the farm allotment was planted in one of the years of the 3-year farm base period.

In the absence of this extension of section 377, farmers interested in maintaining full acreage history for their farms, counties, and States will be required, beginning with the 1960 crop, to plant all or a substantial portion of the allotted acreage for the commodity. Under present conditions this obviously is undesirable.

Section 2 of the bill relates solely to the cotton acreage allotments. Under present law there are three authorized methods for apportioning the county allotment among farms; namely, (1) the cropland factor method, (2) the average cotton acreage on the farm for the preceding 3 years, and (3) the farm allotment for the preceding year. This third method, which appears in section 344(f)(8) of the 1938 act, was added by the Agricultural Act of 1958 and was used in all counties in establishing farm cotton allotments for the 1959 crop. This same method is used for establishing tobacco, peanut, and rice farm allotments.

H.R. 7740 would revise section 344(f)(8) to require the Secretary to use the farm cotton allotment for the preceding year as the base for apportioning the county allotment to farms. Beginning with allotments established for the 1961 crop, the full amount of the previous allotment would be used as the base, however, only if an acreage equal to at least 75 percent of such allotment was actually planted to cotton or regarded as planted under the release provisions or the conservation reserve or Great Plains program. Where this requirement was not met, the base would be the average of the previous allotment and the cotton acreage history determined for purposes of applying the 75-percent requirement just mentioned. For example, if a farm with a 20-acre cotton allotment for 1960 has only a 10-acre history credit for that year for purposes of the 75 percent rule, the base used in establishing the 1961 farm allotment would be 15 acres (20 plus 10 divided by 2).

Under present law each eligible old cotton farm is guaranteed an allotment not less than the smaller of 10 acres or the 1958 farm allotment. H.R. 7740 provides that farms protected by this minimum allotment provision shall also be subject to the 75 percent provision discussed in the preceding paragraph. For instance, if a farm received an allotment for 1960 of 8 acres because the 1958 farm allotment was 8 acres, and in 1960 only 4 acres were planted or regarded as planted on the farm, the minimum allotment base for purposes of establishing the 1961 farm allotment would be reduced from 8 acres to 6 acres (8 plus 4, divided by 2). The bill provides that the base for any farm shall not be adjusted if the county committee determines

that failure to plant at least 75 percent of the farm allotment was due to conditions beyond the control of producers on the farm. In any case where the county committee determined that the farm base adjustment required by the bill imposed undue hardship on the farmer, the farm allotment could be increased from the county reserve or by use of allotment released by other farms.

The provisions of section 2 discussed up to this point are designed to bring about a shifting of allotment from farms which fail to protect the allotment base through planting, releasing or conservation reserve-Great Plains programs participation, or any combination of these, to other farms on which the 75 percent requirement is met. This shift would be accomplished, as indicated, by reducing the bases for the underplanted farms and maintaining the full bases for the other farms. The bill requires the Secretary to control this shifting so as to prevent any farm from receiving excessive allocations of allotment because of adjustments in the bases for other farms in the county. This control would probably be necessary only in a small cotton county where underplanting on a few large allotment farms could otherwise cause an allotment windfall the following year for the small allotment farms.

It is particularly important to note the manner in which the first section of H.R. 7740 as it applies to cotton dovetails with the provisions of section 2 discussed above. By planting at least 75 percent of the farm cotton allotment 1 year out of each 3-year period a farmer could maintain cotton acreage history equal to the farm allotment for his farm as well as for the county and State. However, at the same time the farm allotment would be subject to reduction following any year in which he failed to meet the 75 percent requirement of section 344(f)(8). Thus, under section 377 the acreage history for a county may be fully maintained over a period of years even though the entire allotment is not being used in any year, and this would probably result in the county allotment remaining at about the same level year after year. But during this same period of years rapid changes could be taking place in the distribution of the county allotment among farms, with those farms which annually met the 75 percent requirement as to planting and releasing gradually increasing their shares of the available allotment for the county. On the other hand, to the extent that a farm failed in any year to receive acreage history equal to the farm allotment, the county would lose an equal amount of history for that year; and this loss of history to the county would result in allotment subsequently shifting to other counties in the State and elsewhere in which a lesser or no loss of history had occurred.

Section 2 of H.R. 7740 would change present acreage allotment procedures in several other important respects. It would repeal section 344(g)(3) of the 1938 act, which provides that if the farm allotment is underplanted by not more than the larger of 10 percent of the allotment or 1 acre, the full allotment is regarded as planted to cotton. Section 377 and other provisions of this bill are considered as adequately serving the purposes which subsection (g)(3) did prior to 1957 when automatic preservation of history became effective.

The bill amends section 344(i) of the 1938 act by adding a new sentence providing that the planting of cotton on a farm for which no allotment has been established will not make the farm eligible for

an allotment as an "old" cotton farm. Each of the other commodities has a similar provision in the 1938 act.

The bill contains a revision of section 344(m)(2) of the 1938 act, which relates to the release and reapportionment of cotton acreage allotments. Under present law, where farm allotment is released to the county committee, the farm receives acreage history for the acreage released but the county and State receive history only if the allotment is reapportioned to another farm and actually planted to cotton. The revised subsection provides that the release of allotment to the county committee shall cause history to be given the farm, county, and State regardless of whether the allotment is reapportioned and planted. There is omitted from the revised subsection (m)(2) the language which prohibits a county committee from surrendering released allotment to the State committee as long as any farmer in the county desires additional allotment. This language was added by the Agricultural Act of 1958. It is not considered necessary (1) since county committees customarily use the released allotments to establish fair and reasonable allotments in the county and do not surrender any allotment to the State committee except that which is truly surplus to their needs and (2) in view of the change discussed above which permits the county where the farm allotment is released to receive the acreage history credit even though the allotment is surrendered to the State committee and planted in another county.

COMMITTEE AMENDMENT

The only substantive committee amendment (p. 2, line 10) will exempt from provisions of the bill acreage allotments on federally owned land. This amendment was recommended by the Department of Agriculture in its letter of April 30, 1959, to the Speaker of the House. The letter explains in detail the reason for the amendment.

DEPARTMENTAL APPROVAL

H.R. 5741 (comprising sec. 1 of the bill herewith reported) was introduced at the request of the Department of Agriculture expressed in Executive Communication 673, copy of which is attached. At the hearing on H.R. 5741 certain amendments were proposed with which the Department expressed general agreement. Subsequently, proponents of the amendments and the Department of Agriculture did agree on the wording of these amendments and the Department's recommendation that they be enacted was transmitted to the committee in its letter to the chairman dated June 12, 1959, copy of which is also attached. Accordingly, H.R. 7740, the bill herewith reported, was introduced to embody H.R. 5741 and the rather extensive amendments agreed to by the Department of Agriculture and representatives of the cotton industry. Section 1 is the original bill; section 2 the amendment recommended by the Department of Agriculture.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 5, 1959.

THE SPEAKER OF THE HOUSE,
House of Representatives.

DEAR MR. SPEAKER: This Department recommends the enactment of legislation to amend section 377 of the Agricultural Adjustment Act of 1938, as amended, concerning the preservation of unused acreage allotments.

Under section 377 of the Agricultural Adjustment Act of 1938, as amended, the acreage allotment for a farm is regarded, for purposes of establishing future allotments, as planted even though little or no acreage is actually devoted to the commodity on the farm. This provision was enacted in the Agricultural Act of 1956 and it applies to the 1956 through 1959 crops of commodities for which acreage allotments are established. The acreage history credited to a farm under the provision is also credited to the county and to the State. As originally enacted, section 377 provided for the preservation of acreage history for a farm only if the farm operator filed a written request therefor with his local agricultural stabilization and conservation county committee; however, upon recommendation by this Department the Congress in 1957 amended section 377 to make the preservation of acreage history automatic, that is, the requirement that the farm operator request preservation was eliminated (Public Law 85-266).

It is our view that section 377, with some modification, should be extended to the 1960 and succeeding crops for which acreage allotments are established. There is attached a draft of amendatory language for this purpose. Under the proposed amendment, the acreage history for a farm for a particular commodity would be preserved for the current year if the acreage actually planted or devoted to such commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program) during such year or during one of the 2 preceding years was as much as 75 percent of such farm acreage allotment for such year. (For this purpose, the farm acreage allotment means, the farm acreage allotment after any release of allotment from the farm but prior to any reapportionment of released allotment to the farm.) Under this proposal a farm whose owner or operator had discontinued or substantially reduced production of one of the basic commodities for which acreage allotments are established would gradually have reduced acreage history for the commodity, and to the extent that acreage history enters into the establishment of farm acreage allotments for the commodity the allotment for the farm would likewise be gradually reduced. In determining whether 75 percent or more of the farm allotment was planted, credit would be given, of course, as indicated above, for acreage regarded as devoted to the commodity by reason of participation in the Soil Bank Act program or the Great Plains program. Acreage history credit would not be given in connection with the additional acreage allotment established for a farm for 1959 or 1960 under the choice (B) program for upland cotton.

At the time section 377 was enacted in 1956, the law provided that the acreage seeded in excess of the farm wheat acreage allotment would be credited to the farm, county and State as wheat history acreage. Therefore, language was included in section 377 which provided that where the wheat allotment was subsequently underplanted in order to release stored excess, the preservation provision would not apply in such cases. With the enactment of Public Law 85-203, a producer is no longer able to plant an acreage to wheat in excess of the farm acreage allotment and receive history credit for the excess acreage. The proposed amendment therefore provides, after 1959, for the preservation of history acreage equal to the farm wheat allotment even though the allotment may have been underplanted for the purpose of releasing stored excess wheat.

Subsection (g)(3) of section 344 of the Agricultural Adjustment Act of 1938, as amended, provides for the farm cotton acreage allotment to be regarded as fully planted if the acreage by which the allotment is underplanted is not more than the larger of 1 acre or 10 percent of the allotment. Administration of both this provision and section 377 of the act would require voluminous, complex procedures, and since the proposed section 377 adequately protects the acreage history of farms on which at least 75 percent of the allotment is planted 1 year of a 3-year period, it is recommended that subsection (g)(3) be repealed. Section 2 of the proposed amendment provides for the repeal of this special history preservation provision for cotton.

It is our recommendation that the Congress pass the proposed amendment at the earliest possible date. Under present conditions, 1960-crop wheat acreage allotments for individual farms will be established and furnished farmers early this summer. The question of whether farmers must plant their farm allotments to protect their acreage history should be settled well in advance of the time for seeding the 1960 crop, which in some areas begins in the latter part of August. If the Congress does not act early during the first session to extend section 377 which, as indicated above, expires with the 1959 crop, many farmers who otherwise would not seed wheat this year for harvest in 1960 will do so in order to remove any question regarding the preservation of their wheat acreage history. It is also desirable that the Congress act on this provision at an early date so that producers of all the commodities for which allotments are established may have adequate notice of the changes made in the provisions which were in effect for the 1956 through 1959 crops.

There is attached a draft of the proposed legislation which we believe would accomplish the desired changes. A similar draft of proposed legislation has been sent to the President of the Senate.

The enactment of this proposed legislation would not require additional appropriation of funds.

The Bureau of the Budget advises that it has no objection to the submission of the proposed legislation.

Sincerely yours,

E. T. BENSON.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 12, 1959.

HON. HAROLD D. COOLEY,
*Chairman, Committee on Agriculture,
House of Representatives.*

DEAR CONGRESSMAN COOLEY: In accordance with your request at the hearing before the House Agriculture Committee on June 2, 1959, we have reviewed certain items of cotton legislation presented by representatives of several of the cotton producing States. The proposal is to expand section 2 of H.R. 5741 to include three additional items of cotton legislation. Two copies of a draft of these amendments to H.R. 5741 as considered by the Department are enclosed.

The Department has no objection to the enactment of these amendments to H.R. 5741.

In general H.R. 5741 provides with respect to cotton that beginning with the 1960 crop the entire allotment shall be preserved as history acreage if for the current year or either of the 2 preceding years an acreage equal to at least 75 percent of the cotton allotment for such year was actually planted or devoted to cotton on the farm or was regarded as planted under the Soil Bank Act or the Great Plains program.

The proposed amendments to H.R. 5741 do not change any of the provisions of the bill or conflict with the provisions of the bill. The amendments make the following changes in section 344 of the Agricultural Adjustment Act of 1938, as amended:

1. Paragraph (8) of subsection (f) is amended to require that if cotton allotments were in effect in the preceding year that, beginning with the 1961 crop of cotton, the farm acreage allotment be determined on the basis of the farm allotment for the preceding year rather than by using the cropland percentage method or the 3-year average cotton acreage basis. Paragraph (8) of subsection (f) is also amended so that, beginning with the 1961 crop, if the acreage actually planted to cotton on a farm or regarded as planted under the Soil Bank Act, the Great Plains program, or the release and reapportionment provisions of the act, is less than 75 percent of the farm allotment for such year, instead of using the allotment as the farm base, the base shall be the average of (1) the acreage planted or regarded as planted to cotton on the farm, and (2) the farm allotment, for the last year prior to the one for which the allotment is being established. The 1958 allotment for the farm used for establishing minimum farm allotments would be adjusted so as not to exceed the average acreage so determined. A farm base would not be adjusted downward if the county committee determines that failure to plant as much as 75 percent of the farm allotment was due to conditions beyond the control of producers on the farm. Provision is made for establishing limitations on allotments for other farms in the county so that such allotments would not be increased excessively with allotment recouped from farms whose allotments would be reduced under the foregoing provisions.

2. Subsection (i) is amended by providing that the planting of cotton on a farm without an allotment will not make such farm

eligible for an allotment as an old cotton farm. Other commodities already have legislation to this effect.

3. Subsection (m)(2) is amended to provide that the county in which cotton allotment is released will get credit for the planting of such allotment even though it may not be reapportioned to other farms and planted either in the same county or elsewhere. Likewise the State will receive credit for having planted all released allotments whether they are actually reapportioned and planred. Under present law a county and State do not receive acreage history credit unless released acreage is reapportioned to other farms and is actually planted to cotton. Subsection (m)(2) is also amended to strike out a provision added last year which prohibits a county committee from surrendering released allotment to the State committee as long as any cotton farmer in the county desires additional allotment.

Any time a farm loses history credit under the provisions of section 1 of H.R. 5741 due to the fact that the acreage actually planted to cotton on the farm or regarded as planted to cotton on the farm for all 3 years in the farm base period is less than 75 percent of the farm acreage allotment, the county and the State also lose an equal amount of history acreage. To the extent that acreage is lost by States under this provision, the national allotment would tend to shift to other States.

Present law freezes allotments to many farms on which cotton is no longer produced. However, the owners of most of these farms want to keep the cotton allotment since it adds value to the land. This year some 80,000 farm operators released about 550,000 acres of cotton allotment and practically all of this acreage was reapportioned to 128,000 other farms. The amendments do not eliminate the release provisions of the act. In fact they may cause more activity under such provisions. However, the amendments will, in time, result in allotment being shifted from farms which are not planting cotton to other farms in the county which are using their allotments. In addition, a farm will not be guaranteed an allotment at the same level year after year under the so-called 10-acre minimum provision unless certain requirements as to maintenance of the cotton history for the farm are met.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 30, 1959.

HON. SAM RAYBURN,
Speaker, House of Representatives.

DEAR MR. SPEAKER: On March 5, 1959, we recommended enactment of a bill to amend section 377 of the Agricultural Adjustment Act of 1938, as amended, relating to the preservation of unused acreage allotments. We are now suggesting a modification in the bill submitted with that recommendation to take care of certain problems on acreage allotments established on Government-owned land which cannot be used because of leases which in accordance with section 125 of the

Agricultural Act of 1956 and the President's memorandum of May 21, 1956, prohibit the production of price-supported crops in surplus supply.

The modification suggested is to amend the bill submitted on March 5 by inserting in the first proviso immediately following the language "the 1960 crop," the language "except for federally owned land."

At present all crops for which acreage allotments are established—wheat, rice, cotton, peanuts, and tobacco—are in surplus supply, and it appears likely that they will continue to be in surplus supply in the near future. As a result, unless existing legislation is changed so that we can consider unused allotments on Government-owned lands as having been planted for purposes of establishing future allotments, these unused allotments, under allotment procedures, eventually will be transferred completely to privately owned farms with these results:

(1) The objective of section 125 and the President's memorandum will be nullified because production of surplus acreage-allotment crops will not be reduced despite the issuance of restrictive leases.

(2) The Government-owned land for which restrictive leases have been issued will lose its acreage allotments and, in turn, potential rental value when these allotment crops are no longer in surplus and again can be produced on Government-owned land.

In the absence of this suggested change all that would have been accomplished by the issuance of restrictive leases under section 125 would have been to transfer allotments from Government-owned land to privately owned land. While we do not believe that this was the intent of the legislation, there is no action we can take under the Agricultural Adjustment Act of 1938, as amended, to stop the shift unless we are provided with authority of the type being requested.

This proposed revision should become effective with 1960 crops. Similar authority for prior crops was not needed because section 377 contained authority for the preservation of unused allotments which lapsed at the end of the 1959 crop season.

As of June 30, 1958, leases prohibiting production of price-supported crops in surplus supply were in effect on approximately 400,000 acres of Government-owned land. It is anticipated that additional acreage will be placed under restrictive lease during the next few years as old leases signed before section 125 became effective expire and are replaced with new leases containing a restrictive clause. We do not have information as to the volume of allotments established on this acreage.

A similar draft of the proposed legislation has been sent to the President of the Senate.

The enactment of the proposed bill would not require an additional appropriation of funds. On the contrary, it could result in some reduction in expenditures for price support purposes, the extent depending upon the amount of the acreage allotments established for Government-owned land which are not used due to restrictive leases.

The Bureau of the Budget advises that it has no objection to the submission of this proposed legislation.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

* * * * * *

ACREAGE ALLOTMENTS

SEC. 344. (a) Whenever a national marketing quota is proclaimed under section 342, the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calender year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cotton for the four years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota.

(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period: *Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f)(1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f)(1): *Provided*, That there is hereby established a national acreage reserve consisting of three hundred and ten thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f)(1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall

be one thousand acres). For the 1960 and succeeding crops of cotton, the needs of States (other than Nevada) for such additional acreage for such purpose may be estimated by the Secretary, after taking into consideration such needs as determined or estimated for the preceding crop of cotton and the size of the national acreage allotment for such crop. The additional acreage so apportioned to the State shall be apportioned to the counties on the basis of the needs of the counties for such additional acreage for such purpose, and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing provisions and under the last proviso in subsection (e) shall be determined or estimated as though allotments were first computed without regard to subsection (f)(1).

(c) (Applicable only to the 1950 and 1951 crops of cotton.)

(d) (Applicable only to the 1952 crop of cotton.)

(e) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (c), and (d) of this section: *Provided*, That the State committee may reserve not to exceed 10 per centum of its State acreage allotment (15 per centum if the State's 1948 planted acreage was in excess of one million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship: *Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f)(1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f)(1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages): *Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined or estimated by the Secretary for establishing minimum farm allotments for the State under subsection (f)(1), the acreage reserved under this subsection shall not be less than the smaller of (1) the remaining acreage so determined or estimated to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which is required to be reserved under this proviso shall be

allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).

(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, Seventy-ninth Congress) in any one of the three years immediately preceding the year for which such allotment is determined on the following basis:

(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) ten acres; or (B) the acreage allotment established for the farm for the 1958 crop.

(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1)(B) so that the allotment to each farm under this paragraph together with the amount of the allotment to such farm under paragraph (1)(A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however*, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1)(A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) to cotton during any of the preceding three years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) in any such year.

(3) The county committee may reserve not in excess of 15 per centum of the county allotment * * * which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms, or in making adjustments

in farm acreage allotments to correct inequities and to prevent hardships: *Provided*, That not less than 20 per centum of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f)(1)(B)), if any, to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection.

(4) (Applicable only to the 1950 crop of cotton.)

(5) (Applicable only to the 1950 crop of cotton)

(6) Notwithstanding the provisions of paragraph (2) of the subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1)(B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1)(A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein. If the county acreage allotment is apportioned among the farms of the county in accordance with the provisions of this paragraph, the acreage reserved under paragraph (3) of this subsection may be used to make adjustments so as to establish allotments which are fair and reasonable to farms receiving allotments under this paragraph in relation to the factors set forth in paragraph (3).

(7)(A) in the event that any farm acreage allotment is less than that prescribed by paragraph (1), such acreage allotment shall be increased to the acreage prescribed by paragraph (1). The additional acreage required to be allotted to farms under this paragraph shall be in addition to the county, State, and national acreage allotments and the production from such acreage shall be in addition to the national marketing quota.

(B) Notwithstanding any other provision of law—

(i) the acreage by which any farm acreage allotment for 1959 or any subsequent crop established under paragraph (1) exceeds the acreage which would have been allotted to such farm if its allotment had been computed on the basis of the same percentage factor applied to other farms in the county under paragraph (2), (6), or (8) shall not be taken into account in establishing the acreage allotment for such farm for any crop for which acreage is allotted to such farm under paragraph (2), (6), or (8); and acreage shall be allotted under paragraph (2), (6), or (8) to farms which did not receive 1958 crop allotments in excess of ten acres if and only if the Secretary determines (after considering the allotments to other farms in the county for such crop compared with their 1958 allotments and other relevant factors) that equity and justice require the allotment of additional acreage to such farm under paragraph (2), (6), or (8),

(ii) the acreage by which any county acreage allotment for 1959 or any subsequent crop is increased from the national or State reserve on the basis of its needs for additional acreage for establishing minimum farm allotments shall not be taken into account in establishing future county acreage allotments, and

(iii) the additional acreage allotted pursuant to subparagraph (A) of this paragraph (7) shall not be taken into account in establishing future State, county, or farm acreage allotments.

[(8) Notwithstanding the foregoing provisions of paragraphs (2) and (6) of this subsection, the Secretary may, if he determines that such action will facilitate the effective administration of the provisions of the Act, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportionment is made, adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes.]

(8) Notwithstanding the foregoing provisions of paragraphs (2) and (4) of this subsection, the Secretary shall, if allotments were in effect the preceding year, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportionment is made, adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and

(6) *with respect to the counting of acreage for history purposes: Provided, That, beginning with allotments established for the 1961 crop of cotton, if the acreage actually planted (or regarded as planted under the Soil Bank Act, the Great Plains program, and the release and reapportionment provisions of subsection (m) (2) of this section) to cotton on the farm in the preceding year was less than 75 per centum of the farm allotment for such year, in lieu of using such allotment as the farm base as provided in this paragraph, the base shall be the average of (1) the cotton acreage for the farm for the preceding year as determined for purposes of this proviso and (2) the allotment established for the farm pursuant to the provisions of this subsection (f) for such preceding year; and the 1958 allotment used for establishing the minimum farm allotment under paragraph (1) of this subsection (f) shall be adjusted to the average acreage so determined. The base for a farm shall not be adjusted as provided in this paragraph if the county committee determines that failure to plant at least 75 per centum of the farm allotment was due to conditions beyond the control of producers on the farm. The Secretary shall establish limitations to prevent allocations of allotment to farms not affected by the foregoing proviso, which would be excessive on the basis of the cropland, past cotton acreage, allotments for other commodities, and good soil conservation practices on such farms.*

(g) Notwithstanding the foregoing provisions of this section—

(1) State, county, and farm acreage allotments and yields for cotton shall be established in conformity with Public Law 28. Eighty-first Congress.

(2) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

[(3) For any farm on which the acreage planted to cotton in any year is less than the farm acreage allotment for such year by not more than the larger of 10 per centum of the allotment or one acre, an acreage equal to the farm acreage allotment shall be deemed to be the acreage planted to cotton on such farm, and the additional acreage added to the cotton acreage history for the farm shall be added to the cotton acreage history for the county and State.]

(h) Repealed by P. L. 85-835 (72 Stat. 996.), August 28, 1958.

(i) Notwithstanding any other provision of this Act, any acreage planted to cotton in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments. *Notwithstanding any other provision of this act, beginning with the 1960 crop the planting of cotton on a farm in any of the immediately preceding three years that allotments were in effect but no allotment was established for such farm for any year of such three year period shall not make the farm eligible for an allotment as an old farm under subsection (f) of this section: Provided, however, That by reason of such planting the farm need not be considered as ineligible for a new farm allotment under subsection (f) (3) of this section.*

(j) Notwithstanding any other provision of this Act, State and county committees shall make available for inspection by owners or

operators of farms receiving cotton acreage allotments all records pertaining to cotton acreage allotments and marketing quotas.

(k) Notwithstanding any other provision of this section except subsection (g) (1), there shall be allotted to each State for which an allotment is made under this section not less than the smaller of (A) four thousand acres or (B) the highest acreage planted to cotton in any one of the three calendar years immediately preceding the year for which the allotment is made.

(1) (This subsection relating to war crops under Public Law 12, Seventy-ninth Congress, does not apply to the 1955 and succeeding crops of cotton.)

(m) Notwithstanding any other provision of law—

(1) Applicable only to 1954 crop of cotton)

[(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section; but no such acreage shall be surrendered to the State committee so long as any farmer receiving a cotton acreage allotment in such county desires additional cotton acreage. Any allotment transferred under this provision shall be regarded for the purposes of subsection (f) of this section as having been planted on the farm from which transferred rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this paragraph, and planted shall be credited to the State and county in determining future acreage allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act.]

(2) *Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county,*

the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section. Any allotment released under this provision shall be regarded for the purposes of establishing future allotments as having been planted on the farm and in the county where the release was made rather than on the farm and in the county to which the allotment was transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: Provided, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage released under this paragraph shall be credited to the State in determining future allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act (7 U.S.C. 1344(m)).

(3) (Applicable only to 1954 crop of cotton.)

(n) Notwithstanding any other provision of this Act, if the Secretary determines that because of a natural disaster a substantial portion of the 1958 farm cotton acreage allotments in a county cannot be timely planted or replanted, he may authorize the transfer of all or a part of the cotton acreage allotment for any farm in the county so affected to another farm in the county or in an adjoining county on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of cotton and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Acreage history credits for transferred acreage shall be governed by the provisions of subsection (m)(2) of this section pertaining to the release and reapportionment of acreage allotments. No transfer hereunder shall be made to a farm covered by a 1958 acreage reserve contract for cotton.

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

[Sec. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm) shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator of such farm notified the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted.]

SEC. 377. In any case in which, during any year beginning with 1956, the acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm and any allotment provided for the farm pursuant to subsection (f)(7)(A) of section 344) shall, except as provided herein, be considered for the purpose of establishing future State, county and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator on such farm notified the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment: Provided, That beginning with the 1960 crop, the current farm acreage allotment established for a commodity shall not be preserved as history acreage pursuant to the provisions of this section unless for the current year or either of the two preceding years an acreage equal to 75 per centum or more of the farm acreage allotment for such year was actually planted or devoted to the commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program): Provided further, That this section shall not be applicable in any case, within the period 1956 to 1959, in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments.

MINORITY VIEWS RE H.R. 7740

It is the opinion of the undersigned that H.R. 7740 is illogical and expensive legislation and, therefore, does not merit the approval of Congress.

It has to be looked at in two parts because the second section deals only with cotton whereas the first section deals with cotton, tobacco, rice, wheat, and peanuts.

Section 1 of the bill would write into the allotment laws governing five crops a provision that, in effect, would freeze all current allotment relationships among States and among counties within a State by treating all acreages of these crops currently allotted to such States and counties as planted in perpetuity. This is a literal interpretation of the language of the bill although it has been otherwise interpreted by some people. Thus areas no longer demonstrably interested in the planting of these crops as evidenced by consistent underplanting of allotments would be given an extended opportunity of coming back into them to the hardship of thoroughly established growing areas.

In contrast with its favorable treatment of areas, section 1 would cut back individual producers within those areas who failed to plant up to a specified percentage of their allotments thereby creating an incentive to plant in spite of the individual grower's judgment that the market might not take his produce at a fair price. This is a gross interference with the grower who attempts to rationalize his production in terms of national needs.

It should be noted that the only growers who were heard in support of section 1 were cotton growers with the exception of the master of the Grange, who, in his statement, laid primary emphasis on the legislation as cotton legislation.

Section 2 of the bill attaches further conditions to cotton allotments in a misdirected effort to correct prior unwise actions by the Agriculture Committees of Congress in establishing the ground rules for cotton allotments.

These further provisions for cotton will augment the section 1 stimulus to planting of unneeded cotton acres in the face of a current cotton program which requires over a billion dollars' annual Government investment in cotton, the annual loss of hundreds of millions of dollars, and the compounding of supplies surplus to need sufficient to supply our markets for 12 months in the absence of any further cotton production.

Basically section 2 seeks to penalize efficient cotton growing areas in the United States to the advantage of less efficient areas by preserving the right to grow cotton in more marginal areas of production and, in fact, encouraging marginal production within the most marginal areas by attaching a penalty of loss of allotment to the farmer who wisely decides not to plant because of the overall supply-demand situation or because of conditions on his farm in relation to the market.

In effect it says to each grower, "Plant annually to the maximum of your allotment or surrender your acreage to a neighbor who will deteriorate your market position on penalty of losing all or part of your allotment." This directive further limits the right of the allottee to free judgment in planting or not planting. It is further regimentation of the cotton grower and bears heaviest on the small farmer.

The cancer which prompts H.R. 7740 is, as indicated, the minimum farm acreage provision of the cotton law. H.R. 7740 is a confession of the failure of that law. In spite of this provision, out of approximately 900,000 cotton farms in the United States in 1958, over one-half planted no cotton whatsoever and the bulk of these nonplanters were in the minimum acreage category.

H.R. 7740 seeks to force this unwanted planting in unpalatable fashion. The indicated remedy avoided by H.R. 7740 is the abolition of the 10-acre minimum provision of the current law. In seeking to quiet the screams of some cotton growers over the present law, H.R. 7740 will do long-range harm to the whole cotton industry and to the taxpayers of the United States.

HARLAN HAGEN,
CHARLES M. TEAGUE.



86TH CONGRESS
1ST SESSION

H. R. 7740

[Report No. 728]

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 1959

MR. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

JULY 28, 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 377 of the Agricultural Adjustment Act of
4 1938, as amended, is amended to read as follows:

5 "SEC. 377. In any case in which, during any year be-
6 ginning with 1956, the acreage planted to a commodity on
7 any farm is less than the acreage allotment for such farm,
8 the entire acreage allotment for such farm (excluding any
9 allotment released from the farm or reapportioned to the
10 farm and any allotment provided for the farm pursuant to

1 subsection (f) (7) (A) of section 344) shall, except as
2 provided herein, be considered for the purpose of establish-
3 ing future State, county and farm acreage allotments to have
4 been planted to such commodity in such year on such farm,
5 but the 1956 acreage allotment of any commodity shall be
6 regarded as planted under this section only if the owner or
7 operator on such farm notified the county committee prior
8 to the sixtieth day preceding the beginning of the marketing
9 year for such commodity of his desire to preserve such allot-
10 ment: *Provided*, That beginning with the 1960 crop, *except*
11 *for federally owned land*, the current farm acreage allotment
12 established for a commodity shall not be preserved as history
13 acreage pursuant to the provisions of this section unless for
14 the current year or either of the two preceding years an acre-
15 age equal to 75 per centum or more of the farm acreage
16 allotment for such year was actually planted or devoted to
17 the commodity on the farm (or was regarded as planted
18 under provisions of the Soil Bank Act or the Great Plains
19 program) : *Provided further*, That this section shall not be
20 applicable in any case, within the period 1956 to 1959, in
21 which the amount of the commodity required to be stored to
22 postpone or avoid payment of penalty has been reduced be-
23 cause the allotment was not fully planted. Acreage history
24 credits for released or reapportioned acreage shall be gov-

1 earned by the applicable provisions of this title pertaining to
2 the release and reapportionment of acreage allotments.”

3 SEC. 2. Section 344 of the Agricultural Adjustment Act
4 of 1938, as amended, is amended as follows:

5 (1) Subsection (f) is amended by changing paragraph
6 (8) thereof to read as follows:

7 “(8) Notwithstanding the foregoing provisions of para-
8 graphs (2) and ~~(4)~~(6) of this subsection, the Secretary
9 shall, if allotments were in effect the preceding year, pro-
10 vide for the county acreage allotment for the 1959 and suc-
11 ceeding crops of cotton, less the acreage reserved under para-
12 graph (3) of this subsection, to be apportioned to farms on
13 which cotton has been planted in any one of the three years
14 immediately preceding the year for which such allotment is
15 determined, on the basis of the farm acreage allotment for
16 the year immediately preceding the year for which such ap-
17 portionment is made, adjusted as may be necessary (i) for
18 any change in the acreage of cropland available for the pro-
19 duction of cotton, or (ii) to meet the requirements of any
20 provision (other than those contained in paragraphs (2) and
21 (6)) with respect to the counting of acreage for history
22 purposes: *Provided*, That, beginning with allotments estab-
23 lished for the 1961 crop of cotton, if the acreage actually
24 planted (or regarded as planted under the Soil Bank Act,

1 the Great Plains program, and the release and reapportion-
2 ment provisions of subsection (m) (2) of this section) to
3 cotton on the farm in the preceding year was less than 75
4 per centum of the farm allotment for such year, in lieu of
5 using such allotment as the farm base as provided in this
6 paragraph, the base shall be the average of (1) the cotton
7 acreage for the farm for the preceding year as determined
8 for purposes of this proviso and (2) the allotment estab-
9 lished for the farm pursuant to the provisions of this sub-
10 section (f) for such preceding year; and the 1958 allot-
11 ment used for establishing the minimum farm allotment
12 under paragraph (1) of this subsection (f) shall be ad-
13 justed to the average acreage so determined. The base for a
14 farm shall not be adjusted as provided in this paragraph if
15 the county committee determines that failure to plant at least
16 75 per centum of the farm allotment was due to conditions
17 beyond the control of producers on the farm. The Secretary
18 shall establish limitations to prevent allocations of allotment
19 to farms not affected by the foregoing proviso, which would
20 be excessive on the basis of the cropland, past cotton acre-
21 age, allotments for other commodities, and good soil con-
22 servation practices on such farms.”

23 (2) Paragraph (3) of subsection (g) is hereby re-
24 pealed.

25 (3) Subsection (i) is amended by adding the follow-

1 ing at the end thereof: "Notwithstanding any other pro-
2 vision of this act, beginning with the 1960 crop the plant-
3 ing of cotton on a farm in any of the immediately preceding
4 three years that allotments were in effect but no allotment
5 was established for such farm for any year of such three
6 year period shall not make the farm eligible for an allotment
7 as an old farm under subsection (f) of this section: *Provided,*
8 *however,* That by reason of such planting the farm need not
9 be considered as ineligible for a new farm allotment under
10 subsection (f) (3) of this section."

11 (4) Paragraph (2) of subsection (m) is changed to
12 read as follows:

13 "(2) Any part of any farm cotton acreage allotment on
14 which cotton will not be planted and which is voluntarily
15 surrendered to the county committee shall be deducted from
16 the allotment to such farm and may be reapportioned by the
17 county committee to other farms in the same county re-
18 ceiving allotments in amounts determined by the county
19 committee to be fair and reasonable on the basis of past
20 acreage of cotton, land, labor, equipment available for the
21 production of cotton, crop rotation practices, and soil and
22 other physical facilities affecting the production of cotton.
23 If all of the allotted acreage voluntarily surrendered is not
24 needed in the county, the county committee may surrender
25 the excess acreage to the State committee to be used for

1 the same purposes as the State acreage reserve under sub-
2 section (e) of this section. Any allotment released under
3 this provision shall be regarded for the purposes of estab-
4 lishing future allotments as having been planted on the farm
5 and in the county where the release was made rather than on
6 the farm and in the county to which the allotment was
7 transferred, except that this shall not operate to make the
8 farm from which the allotment was transferred eligible for
9 an allotment as having cotton planted thereon during the
10 three-year base period: *Provided*, That notwithstanding any
11 other provisions of law, any part of any farm acreage allot-
12 ment may be permanently released in writing to the county
13 committee by the owner and operator of the farm, and
14 reapportioned as provided herein. Acreage released under
15 this paragraph shall be credited to the State in determining
16 future allotments. The provisions of this paragraph shall
17 apply also to extra long staple cotton covered by section 347
18 of this Act (7 U.S.C. 1344 (m)).”

[Report No. 728]

A BILL

To amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments.

By Mr. COOLEY

JUNE 15, 1959

Referred to the Committee on Agriculture

JULY 28, 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Aug 3, 1959

5. FOREIGN AFFAIRS. Both Houses received from the National Advisory Council on International Monetary and Financial Problems a report on its activities for July 1 to Dec. 31, 1958. pp. 13568, 13719
6. VETERANS' BENEFITS. Sens. Young, O., and Yarborough urged the enactment of legislation to provide education benefits to veterans who have served in the Armed Forces since the Korean conflict. pp. 13600-2
7. FORESTRY; NATURAL RESOURCES. Sen. Neuberger inserted a letter from the Citizens Committee on Natural Resources urging the enactment of legislation for the preservation of wilderness areas. pp. 13609-10
Sen. Murray inserted an article by the chief of staff of the Menninger Foundation discussing the need for recreational activities, and stating that "wilderness and near wilderness areas are essential to the mental health of both children and adults." pp. 13626-8
8. TEXTILES. Sen. Pastore inserted a Department of Commerce press release discussing the first meeting of the interdepartmental Textile Industry Advisory Committee studying problems in the textile industry. pp. 13618-9
9. MINERALS. S. 1855, to amend the Mineral Leasing Act of 1920 so as to increase certain acreage limitations with respect to Alaska, was made the unfinished business. p. 13653
10. ECONOMIC CONDITIONS. Sen. Javits discussed the "economic and budgetary realities confronting the Congress," including comments on inflation, Federal expenditures, foreign aid, and the importance of food in our foreign aid program. pp. 13657-69
Sen. Williams, Del., discussed our "serious economic and financial crisis," and urged a reduction in Federal expenditures and the control of inflation. pp. 13675-80
11. ELECTRIFICATION. Sen. Morse opposed proposed legislation to authorize Federal subsidies to private power companies operating up-stream storage dams, and inserted a statement by Rep. Ullman, and his own statement before the S. Interstate and Foreign Commerce Committee, opposing such legislation. pp. 13682-4

HOUSE

12. MILK. Passed, under suspension of the rules, S. 1289, to increase and extend the special milk program (pp. 13710-2). Earlier in the day, at the request of Rep. Pelly, S. 1289 was passed over without prejudice (p. 13690). See Digest 124 for the provisions of this bill.
13. DISASTER RELIEF. Passed, under suspension of the rules, H. R. 6861, to require contributions by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas. pp. 13709-10
14. PEANUTS. Passed as reported H. R. 4938, to continue the exemption of green peanuts from acreage allotments and marketing quotas. p. 13690
15. COTTON. Debated, under suspension of the rules, H. R. 7740, to provide for the preservation of acreage history and the reallocation of unused cotton acreage allotments. In the light of an absence of a quorum and under unanimous agreement, the vote on this bill was passed over until Wed., Aug. 5. pp. 13702-9

16. FARM LOANS. Passed with amendment S. 1512, to amend the Federal Farm Loan Act so as to transfer responsibility for making appraisals from the Farm Credit Administration to the Federal land banks. The House previously passed with amendment H. R. 6353, a similar bill, and then substituted the provisions of H. R. 6353 for the language in S. 1512, and H. R. 6353 was laid on the table. The amendment, which was offered by Rep. Murray, was to make the retirement deductions 7% for certain employees who would become employees of the banks. pp. 13690-7

Passed without amendment H. R. 7629, to amend Sec. 17 of the Bankhead-Jones Farm Tenant Act so as to continue indefinitely the authority of FHA to make real estate loans for refinancing farm debts. p. 13698

17. LANDS; LEASING; MINERALS. Passed without amendment S. 1110, to allow this Department to convey interests in submarginal lands to Clemson College, S.C. H. R. 4697, a similar bill, was laid on the table. This bill will now be sent to the President. p. 13690

Passed as reported H. R. 6940, to amend the Mineral Leasing Act of 1920 so as to increase certain acreage limitations with respect to Alaska. p. 13699

Passed as reported H. R. 6939, to amend the act providing for the leasing of coal lands in Alaska so as to increase the acreage limitation in such act. p. 13699-700

Passed without amendment H. R. 5849, to modify conditions under which Alaska may select lands made subject to lease, permit, license, or contract. p. 13701

The Subcommittee on Departmental Oversight and Consumer Relations of the Agriculture Committee voted to report to the full committee two bills: (1) H. R. 5442, to authorize this Department to convey certain lands in Iowa to the city of Keosauqua; and (2) H. R. 6669, with amendment, to provide that the Louisiana State University may use certain real property heretofore conveyed to it for general educational purposes. p. D701

18. RECLAMATION. Conferees were appointed on S. 994, to authorize the Interior Department to construct, operate, and maintain the Spokane Valley project, Wash and Idaho, under Federal reclamation laws. Senate conferees have been appointed. p. 13687

19. COCONUT OIL. Passed over, at the request of Rep. Weaver, H. J. Res. 441, to authorize the disposition of approximately 265 million pounds of coconut oil from the national stockpile. p. 13690

20. DEFENSE DEPARTMENT APPROPRIATION BILL FOR 1960. Received the conference report on this bill, H. R. 7454 (H. Rept. 743). pp. 13685-7, 13719

21. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee reported (on July 31, during adjournment) with amendment H. R. 6904, to establish an advisory Commission on Intergovernmental Relations (H. Rept. 742). p. 13719

22. FOREIGN TRADE. A report submitted on July 29, on the Second Meeting of the Canada-United States Interparliamentary Group (U. S. Members of Congress and Canadian M. P.'s), includes a discussion on trade problems (relating mainly to minerals) between the two countries and a section on boundary water problems including the St. Lawrence Seaway (H. Rept. 730).

23. TEXTILES; FOREIGN TRADE. The Ways and Means Committee voted to report (but did not actually report) two bills with amendment: (1) H. R. 2886, to suspend for 3 years the import duties on certain classifications of spun silk yarn; and (2) H. R. 6249, to liberalize the tariff laws for works of art and other exhibition material. p. D702

der chapter 11 of this title, based on service during a period of war (as defined in section 301(2) of this title), for a permanent and total service-connected disability of a nature such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 801 of title 38, United States Code is amended to read as follows:

"The Administrator is authorized, under such regulations as he may prescribe, to assist any veteran, who is entitled to compensation under chapter 11 of this title, based on service after April 20, 1898, for permanent and total service-connected disability due to the loss, or loss of use, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veterans' disability, and necessary land therefor. If a veteran is entitled to compensation under chapter 11 based on service during a period of war (as defined for the purposes of chapter 11) for permanent and total service-connected disability, which includes (1) blindness in both eyes, having only light perception, plus (2) loss or loss of use of one lower extremity, and such permanent and total disability is such as to preclude locomotion without the aid of a wheelchair, the Administrator is authorized, under such regulations as he may prescribe, to assist the veteran in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor.

"The regulations of the Administrator shall include, but not be limited to, provisions requiring findings that (1) it is medically feasible for such veteran to reside in the proposed housing unit and in the proposed locality; (2) the proposed housing unit bears a proper relation to the veteran's present and anticipated income and expenses; and (3) the nature and condition of the proposed housing unit are such as to be suitable to the veteran's needs for dwelling purposes."

The committee amendment was agreed to.

(Mr. TEAGUE of Texas asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. TEAGUE of Texas. Mr. Speaker, the House has today passed five bills on the call of the Consent Calendar which were recently reported by the Committee on Veterans' Affairs.

I want to say a word of explanation about the measures which we have approved, even though the committee reports went into considerable detail.

The first bill passed today was S. 906. The purpose of this legislation is to permit a veteran taking training under "The Veterans' Readjustment Assistance Act", chapter 33, United States Code—Korean G.I. bill of rights—to make a change of program or training when the first program is a prerequisite to, or generally required for, entrance into pursuit of the second. This bill is identical to H.R. 7724, sponsored by the gentleman from Texas [Mr. BECKWORTH]. Hearings were

held by the Subcommittee on Education and Training on July 21, at which time my colleague, the gentleman from Texas [Mr. BECKWORTH], appeared and testified.

This assistance act, first passed in the 82d Congress, was designed to be restrictive in course changes due to abuses which occurred in the World War II program. Experience has shown that the relaxation permitted by this bill will not be unwise from administrative standpoint and will be reasonable and fair to the veteran.

The Veterans' Administration recommends favorable consideration and estimates a small cost.

S. 1694 would extend the authority of the Veterans' Administration to provide hospital and medical care to U.S. citizens temporarily residing abroad and who require such care for peacetime service-incurred disabilities. At the present this is restricted to wartime disabilities. I introduced an identical bill at the request of the Veterans' Administration, which was designated H.R. 6380. The legislation is estimated to cost not more than \$10,000 in any one year.

The gentleman from Alabama [Mr. HUDDLESTON] is the sponsor of H.R. 2405, which amends section 101 of title 38, United States Code, to redefine the term "child" to include a child who was a member of the veteran's household prior to the veteran's death and who was adopted within 2 years after the veteran's death by the surviving spouse. The Veterans' Administration recommends favorable consideration. There is no estimate of cost but obviously it would be very small.

H.R. 2773 was introduced by the gentleman from Minnesota, [Mr. Judd], and it would amend section 1701 of title 38, United States Code, to make children of Spanish-American War veterans eligible for war orphans' educational assistance. Today this benefit is limited to children whose fathers died of service-connected disabilities during World War I, World War II, or Korea. The age limit for the children is 18 to 23, generally; length of education may not exceed 36 months and monthly payments of \$110.

The Veterans' Administration recommends favorable action. There is record of only 33 war orphans in this classification. It is estimated the lifetime cost of the program would not exceed \$35,000.

The last veterans' bill approved today, H.R. 7373, was introduced by the gentleman from Ohio [Mr. DEVINE]. Section 801 of title 38, United States Code, which was enacted originally as Public Law 702, 80th Congress, provides grants for so-called paraplegic housing. This is limited to 50 percent of the cost of the house, not to exceed \$10,000. In addition the veteran may receive a guaranteed or direct loan to purchase the house. The grant is made to provide specially adapted housing due to the veteran's disability. Generally speaking, the present law requires inability to walk without crutches, canes, braces, or wheelchairs due to the loss of use of

both lower extremities. It applies to all service-connected cases, wartime and peacetime, which occur on or after April 20, 1898.

The amendment presented by the committee in H.R. 7373 limits the application of the proposed bill to approximately 50 wartime cases and would generally cover those individuals who have been severely disabled but still have one leg which is partially useful. Assuming that there are 50 such cases, the cost would be approximately \$500,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SELECTION BY THE STATE OF ALASKA OF CERTAIN LANDS MADE SUBJECT TO LEASE, PERMIT, LICENSE, OR CONTRACT

The Clerk called the bill (H.R. 5849) to amend the act of July 7, 1958, providing for the admission of the State of Alaska into the Union, relating to selection by the State of Alaska of certain lands made subject to lease, permit, license, or contract.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6(h) of Public Law 85-508 (72 Stat. 339) is amended to read as follows: "Any lease, permit, license, or contract issued under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437; 30 U.S.C. 181 and the following), as amended, or under the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741; 30 U.S.C. 432 and the following), as amended, shall have the effect of withdrawing the lands subject thereto from selection by the State of Alaska under this act, unless an application to select such lands is filed with the Secretary of the Interior within a period of five years after the date of the admission of Alaska into the Union."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE ANNEXATION OF CERTAIN REAL PROPERTY OF THE UNITED STATES BY THE CITY OF WYANDOTTE, MICH.

The Clerk called the bill (H.R. 383) to authorize the annexation of certain real property of the United States by the city of Wyandotte, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall, within two years after the date of enactment of this Act, petition the city of Wyandotte, Michigan, for the annexation as a part of such city of all that real property known as Grassy Island which is located in the Detroit River offshore from such city in section 21, township 3 south, range 11 east, Michigan meridian, Michigan, and comprising ninety acres, more or less.

With the following committee amendments:

Page 1, strike out all of lines 6, 7, 8, and 9, and insert in lieu thereof the following: "city of any lands owned by the United States which were formerly within the boundaries of Ecorse Township and which lie due east of said city in the Detroit River."

Page 1, after line 9, add a new section reading as follows:

"Sec. 2. Said annexation shall be without prejudice to the full right of the United States and its lessees, licensees, and permittees to hold and enjoy said property and to make such use thereof and erect such structures thereon as may be provided for by the laws of the United States or, in the case of a lessee, licensee, or permittee, by the terms of his lease, license or permit."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader what the legislative program is for tomorrow.

Mr. McCORMACK. Mr. Speaker, the program for today is as carried in the whip's notice. I notice that H.R. 6940, the second bill on the suspension list, was passed by unanimous consent, so that will be taken off the list.

On tomorrow the conference report on the Defense Department appropriation bill will be called up.

It is understood, of course, that any rollcalls on today or tomorrow, with the exception of rollcalls on any rule, and I cannot see the possibility of any rules coming out today, will be postponed until Wednesday.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Iowa.

Mr. GROSS. The bill S. 1512 was passed. That was on the Consent Calendar, and it is the third bill on the whip notice.

Mr. McCORMACK. I appreciate the gentleman's calling that to my attention.

Mr. ARENDS. That leaves four suspensions?

Mr. McCORMACK. That leaves four suspensions for today, yes.

ROLLCALLS POSTPONED UNTIL WEDNESDAY

Mr. McCORMACK. Mr. Speaker, in the event there are any rollcalls on today or tomorrow, with the exception of on a rule, I ask unanimous consent that they be postponed until Wednesday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HONORARY DESIGNATION OF ST. ANN'S CHURCHYARD IN THE CITY OF NEW YORK AS A NATIONAL HISTORIC SITE

Mrs. PFOST. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 113.

The Clerk read House Joint Resolution 113, as follows:

Whereas the historical burial ground of Saint Ann's Churchyard, New York, New York, is the final resting place of such men as the Honorable Gouverneur Morris, the chief stylist of the Constitution of the United States; Lewis Morris, a New York signer of the Declaration of Independence; and other notable patriots who devoted themselves to the service of our Nation: Therefore be it Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the historical burial ground located at Saint Ann's Avenue and East One Hundred and Fortieth Street, borough of the Bronx, city of New York, be designated as a national historic site in memorial of certain founders of the Nation buried therein.

SEC. 2. This Act shall become effective if and when the Saint Ann's Church, through its duly authorized representatives, has executed an agreement in terms and conditions satisfactory to the Secretary of the Interior, providing for the continuing administration, care, and maintenance, without expense to the United States, of the Saint Ann's Churchyard burial grounds, whereupon said Secretary shall issue a notice declaring that said requirement has been met and that the Saint Ann's Churchyard is formally designated as a national historic site.

The SPEAKER. Is a second demanded?

If not, the question is on suspending the rules and passing the resolution.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the House joint resolution was passed.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, House Joint Resolution 113 designates the burial grounds in St. Ann's Churchyard in the Borough of the Bronx, New York City, as a national historic site. This would be done in memory of certain founders of the Nation buried in the churchyard. Among those buried there are the Honorable Gouverneur Morris, chief stylist of the Constitution of the United States, and General Lewis Morris, a signer of the Declaration of Independence.

No expenditure by the United States is involved except possibly a very small amount for a plaque or marker. The Government would assume no obligation to maintain the burial plot itself.

It is true that this proposal has not met with a favorable recommendation from the National Park Service's Advisory Board on National Parks, Historic Sites, Buildings, and Monuments. However, the Committee on Interior and Insular Affairs unanimously recommends enactment of this legislation on the basis that the advisory board has not given full attention to the broad national his-

toric significance to American history of the patriots whose remains are buried in this churchyard.

ACREAGE HISTORY AND ALLOTMENTS

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7740) to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments, with amendments.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"Sec. 377. In any case in which, during any year beginning with 1956, the acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm and any allotment provided for the farm pursuant to subsection (f) (7) (A) of section 344) shall, except as provided herein, be considered for the purpose of establishing future State, county and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator on such farm notified the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment: *Provided*, That beginning with the 1960 crop, the current farm acreage allotment established for a commodity shall not be preserved as history acreage pursuant to the provisions of this section unless for the current year or either of the two preceding years an acreage equal to 75 per centum or more of the farm acreage allotment for such year was actually planted or devoted to the commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program): *Provided, further*, That this section shall not be applicable in any case, within the period 1956 to 1959, in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments."

SEC. 2. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (f) is amended by changing paragraph (8) thereof to read as follows:

"(8) Notwithstanding the foregoing provisions of paragraphs (2) and (4) of this subsection, the Secretary shall, if allotments were in effect the preceding year, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportion-

ment is made, adjusted as may be necessary (1) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes: *Provided*, That, beginning with allotments established for the 1961 crop of cotton, if the acreage actually planted (or regarded as planted under the Soil Bank Act, the Great Plains program, and the release and reapportionment provisions of subsection (m) (2) of this section) to cotton on the farm in the preceding year was less than 75 per centum of the farm allotment for such year, in lieu of using such allotment as the farm base as provided in this paragraph, the base shall be the average of (1) the cotton acreage for the farm for the preceding year as determined for purposes of this proviso and (2) the allotment established for the farm pursuant to the provisions of this subsection (f) for such preceding year; and the 1958 allotment used for establishing the minimum farm allotment under paragraph (1) of this subsection (f) shall be adjusted to the average acreage so determined. The base for a farm shall not be adjusted as provided in this paragraph if the county committee determines that failure to plant at least 75 per centum of the farm allotment was due to conditions beyond the control of producers on the farm. The Secretary shall establish limitations to prevent allocations of allotment to farms not affected by the foregoing proviso, which would be excessive on the basis of the cropland, past cotton acreage, allotments for other commodities, and good soil conservation practices on such farms."

(2) Paragraph (3) of subsection (g) is hereby repealed.

(3) Subsection (i) is amended by adding the following at the end thereof: "Notwithstanding any other provision of this act, beginning with the 1960 crop the planting of cotton on a farm in any of the immediately preceding three years that allotments were in effect but no allotment was established for such farm for any year of such three year period shall not make the farm eligible for an allotment as an old farm under subsection (f) of this section: *Provided*, however, That by reason of such planting the farm need not be considered as ineligible for a new farm allotment under subsection (f) (3) of this section."

(4) Paragraph (2) of subsection (m) is changed to read as follows:

"(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section. Any allotment released under this provision shall be regarded for the purposes of establishing future allotments as having been planted on the farm and in the county where the release was made rather than on the farm and in the county to which the allotment was transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: *Provided*, That not-

withstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage released under this paragraph shall be credited to the State in determining future allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act (7 U.S.C. 1344 (m))."

The SPEAKER. Is a second demanded?

Mr. HOEVEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, this bill has been considered by people in all phases of the cotton industry. It was reported by an overwhelming vote in the Committee on Agriculture.

Our committee, after due notice, held comprehensive hearings on H.R. 7740, and not one witness appeared to oppose it, while numerous leaders among cotton farmers came all the way to Washington to testify in behalf of it.

I personally received numerous letters and telegrams supporting the bill, and to the time our Committee voted to report it I cannot recall that I received one communication in opposition.

The language in the present bill was written in the Department of Agriculture in a conference which was arranged at my suggestion. The Department of Agriculture has approved the bill, and I hope that it will now pass without any difficulty and soon be enacted into law.

Mr. Speaker, H.R. 7740 deals with the acreage history and allotments for crops in the operation of production adjustment programs.

Crops subject to acreage allotments are affected by the first section of the bill which provides that, beginning with the 1960 crop, the entire current farm allotment shall be regarded as planted if during the current year or either one of the 2 preceding years the acreage actually planted or devoted to the commodity on the farm—or regarded as planted because of participation in the soil bank—was 75 percent or more of the farm allotment. Acreage history credited to the farm under this provision also would be credited to the State and county. This procedure was recommended by the Department of Agriculture.

The automatic preservation of history for allotment purposes, which coincided with the authorization of the acreage reserve of the soil bank, expires with the 1959 crops. Unless H.R. 7740 or some other legislation is enacted, producers of allotted crops beginning with the 1960 crops must plant each year in order to maintain the acreage history for their farms, county, and State. Thus if no action is taken, the result would be an increased production of crops already in surplus.

Other sections of the bill relate specifically to the orderly transfer of unused cotton acreage allotments.

Under H.R. 7740 the unused cotton allotments would be transferred to other farms, first, within each county, and then

within the State. Allotted cotton acreage not used within the State subsequently would become available for distribution in other States.

The purpose is to require that a farmer holding a cotton acreage allotment plant it, voluntarily release it to retain the acreage history on his farm, or gradually forfeit it to other farmers who want to use it.

By this legislation, as long as a farm maintains cotton acreage history equal to the farm allotment by planting or voluntarily releasing acreage for use by other farmers, the county and State would not lose any acreage history credit because of any underplanting of the farm allotment. But, to the extent that a farm fails in any year to receive acreage history equal to the farm allotment, the county and State would lose an equal amount of history for that year.

H.R. 7740 would reduce the allotment base of all farms, regardless of size, where operators fail to plant or release at least 75 percent of the allotment each year, and allotments of these farms would shift gradually to other farms with bases which had not been reduced.

Under this bill it is likely that the volume of released allotments would be greater than at present and that more released acreage would be surrendered to the State committees for reallocation within the State.

Mr. Speaker, if there are any questions that anyone desires to ask about the bill, I will be glad to try to answer such questions. The gentleman from Arkansas [Mr. GATHINGS] as chairman of the Cotton Subcommittee of the House Committee on Agriculture, conducted extensive hearings. All persons desiring to be heard were accorded an opportunity to be heard and, as I said a moment ago, the farm organizations, the farm leaders, people in all phases of the cotton industry, are supporting the bill.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. The first title of the bill deals also with tobacco, does it not?

Mr. COOLEY. It does, along with all other crops. There has been no particular interest indicated from those in the tobacco-growing areas because the situation of the tobacco industry is entirely different, as you know.

Mr. BASS of Tennessee. Yes, I understand. I have one further question. Now, the acreage transfer provision in this bill does not deal with tobacco, does it?

Mr. COOLEY. No.

Mr. BASS of Tennessee. I thank the gentleman.

Mr. COOLEY. That is all I have, Mr. Speaker, unless there are some questions.

Mr. HOEVEN. Mr. Speaker, H.R. 7740 is a very complex piece of legislation that contains two main provisions. The first provision found in section 1 of the bill affects all crops which are subject to acreage allotments—wheat, cotton, rice, tobacco, and peanuts. This section simply extends with some modification a provision of existing law which

automatically preserves the acreage histories of these crops.

Under this bill, beginning in 1960, the entire current farm allotment will be regarded as planted, if during the current year or either of the 2 preceding years the acreage actually planted or devoted to the commodity or considered as planted due to Soil Bank participation, was at least 75 percent of the farm allotment. This bill modified and extends the present law which provides that all allotments will be regarded as fully planted for the purpose of establishing future allotments, if the owner or operator of the farm notifies the county committee prior to the beginning of the marketing year of his desire to preserve such allotment. In order to eliminate unnecessary clerical work and inconvenience to farmers, Congress amended section 377 in 1957 to make the preservation of history automatic. This was done by eliminating the requirement that the farm operator actually request preservation of the allotment. In other words, under present law which expires this year an allotment is automatically preserved, no matter what percentage of planting was made in the 1956-59 period, whereas this bill will preserve the farm acreage history only if the farmer plants 75 percent of his allotment in one of 3 years.

Section 2 of the bill relates solely to cotton. It is a compromise worked out by representatives of cotton producers, the Department of Agriculture and the Committee on Agriculture after the committee had rejected various bills which would have allowed the sale, lease, or exchange of acreage allotments. Section 2 of the bill is designed to allow the reapportionment of cotton allotments within counties and States where farmers do not use their entire allotments.

Although there is some opposition to the bill at this time, during the hearings on the bill no opposition was expressed to the compromise language. The committee bill is supported by the Department of Agriculture as a practical compromise between those cotton producers who would like to maintain forever the cotton acreage "status quo" and those producers who would perhaps desire to see all cotton grown in irrigated and more efficient areas of the United States.

Mr. Speaker, I have no objection to the passage of this bill. I now yield 5 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Speaker, I speak in opposition to this bill which has the opposition of the bulk of the cotton growers in the area of the United States that grows cotton west of Texas. I want to remind you that this area that I am speaking of has produced the smallest burden on the Federal Government in the form of what amounts to sales of cotton to the Government. The cotton grown in these areas is taken out of the loan and sold on the open market to a much greater proportion than the cotton grown in other areas.

The cotton law is one of the worst laws on the statute books dealing with any commodity, and this is merely another attempt to get out of a box which

was the creation of the Committees on Agriculture of the Congress.

Basically the problem stems from the unwise action in creating minimum acreages over the course of years, a minimum which was put up to 10 acres in 1958. Now, this legislation basically is designed to provide a penalty against the farmer who does not plant his acreage; in other words, it seeks to provide him an incentive for engaging in planting which he might otherwise conclude was unnecessary or uneconomical so far as he is concerned and so far as the country is concerned.

Mr. Speaker, we have a vast surplus of cotton at this time and the Federal Government is going through rigorous steps in order to reduce that surplus at some great cost to the taxpayers. It is my proposition that this legislation, providing as it does a penalty to every grower forcing him to plant every acre or surrendering it to a neighbor who will plant it, will result in an increase in the surplus which we currently have at great cost to the Federal Government.

Now, I know that you are all aware that there is vocal public opinion in this country that the agricultural program which we have is costing too much and that Congress is only temporizing with that cost and with that program. This bill is another example of the kind of temporizing that is being condemned, because it will not reduce the cost of the program, but rather increase it. It will add to the cost of the program with every new acre it brings into production. There have been some statements made that this bill has the endorsement of the Secretary of Agriculture. I might add that I privately know that it is a very reluctant endorsement, because the Secretary is aware of the surplus. He is aware of the cost of the program, and he could not wholeheartedly endorse a proposition which would add to that surplus and to that cost. This has his endorsement only because he felt that some kind of legislation was necessary to cover the situation of the expiration of an automatic preservation law which expires at the end of this year, and this bill goes beyond his original recommendation to cover that situation.

Mr. GATHINGS. Mr. Speaker, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman.

Mr. GATHINGS. As a matter of fact, if this bill is not enacted, the cotton farmer would have to plant 90 percent of his allotment every year in order to maintain his history and that of the county and the State; whereas, under the terms of H.R. 7740 which is before us, he would have to plant only 75 percent once every 3 years.

Mr. HAGEN. That is true under the provisions of section 1 of the bill. But under the provisions of section 2 of the bill he has to plant at least 75 percent every year.

Mr. GATHINGS. Yes; and he would have to plant 90 percent every year if you did not have the bill H.R. 7740 that we now seek to pass. That would mean that there would be added cotton planted if we did not act under H.R. 7740.

Mr. HAGEN. Of course, under the present law, it is guaranteed that he will go completely out of business a lot faster than he will under this bill. In other words, you keep him in business longer and at the same time you put the pressure on him to plant more and the opportunity you create for his neighbors planting acres he does not want to plant; and you ignore the sections of this bill with reference to the so-called 10-acre farmer which, for the first time, annually threaten him with reduction of acreage if he does not plant. We very generously provide in the law for every farmer who had a history of planting as many as 10 acres in any single year of the preceding 3-year period. The requirement of action only once in every 3 years for complete protection of his right to plant left him some sensible discretion as to planting based on his observation of supply and demand related to the conditions on his farm. H.R. 7740 narrows this area of discretion and says plant annually or let your neighbor plant your allotment and thereby deteriorate the overall market situation when you want to come back into the cotton business. The penalty for not following this foolish course of procedure is reduction of and forfeiture of allotment.

The key to this bill is the language on page 2 of the report accompanying it. The sixth paragraph on that page reads as follows:

Under this bill it is likely that the volume of released allotments (allotments surrendered for planting by someone else) would be greater than at present and that more released acreage would be surrendered to the State committees for reallocation within the State.

This is a euphemistic way of saying that more cotton would be planted annually. This conclusion was verified by the North Carolinian who was the principal witness for the bill. He admitted, in response to my questions, that more planting would annually occur. The only question in his mind would be whether or not such greater planting would be substantial. As a matter of fact, this bill would not have the endorsement of its sponsors if it were not believed that it would encourage greater planting of acreages that are now unneeded, as the present owners of the allotments thereon have wisely concluded.

The letter from True Morse, Acting Secretary of Agriculture, printed on pages 10 and 11 of the committee report supports the premise that this bill will cause increased planting. In such letter he urges that the bill be amended to provide for preservation of acreage history on Government lands even though no planting occurs. He states that if such language is not provided the allotments will be shifted to private lands and the Government prohibition against planting on Government lands will be meaningless. The same statement can be made with respect to the application of the bill to purely private allotments. In other words he seeks a Government lands exemption from its provision to hold down planting. Logic demands that the

same criteria be applied as criticism of the bill as a whole.

The cost aspects of this bill represent one criticism of it. An equally valid criticism deals with the inequities it will create among different producing areas of the Cotton Belt.

Through no fault of mine assignments of a national right to produce are first made in terms of State boundaries with a secondary breakdown to county boundaries and a final breakdown to the farm itself. Good sense would dictate a national allotment stemming directly from the national total to the farm but that is not the case. In these circumstances the farmer earns the right to produce by his production. Neither the county nor the State earned his allotment. It follows that if his allotment lapses by reason of his failure to produce it should disappear. This bill will not permit this. Rather it preserves each allotment for the purpose of distribution to other growers in a very limited area—first the county and then the State. Cotton-growers elsewhere are thereby saddled with allotted production which was not earned by past history—surpluses are perpetuated to their detriment. It is no coincidence that the growers most adversely affected by this bill are the most efficient in the United States—those most willing to accept lower support levels.

The dilemma of cotton in the South will not be solved by legislation like this which on the one hand restricts the so-called family farmer and on the other hand penalizes the most efficient cotton areas. Proper legislation will come only when the dilemma becomes so deep that only sensible action will solve it. I am talking about lower, more realistic, price supports and ground rules of acreage allocation which treat all growing areas equally.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOLEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 122]		
Abbltt	Chenoweth	Glalmo
Abernethy	Collier	Glenn
Addonizio	Cook	Goodell
Alexander	Curtis, Mass.	Green, Oreg.
Alford	Curtis, Mo.	Green, Pa.
Ashley	Daniels	Halpern
Ashmore	Delaney	Healey
Auchincloss	Derwinski	Hess
Barrett	Diggs	Holland
Barry	Dooley	Holtzman
Bass, N.H.	Dorn, N.Y.	Jackson
Bennett, Mich.	Dulski	Jennings
Blich	Farbstein	Johansen
Bolton	Fino	Kelth
Bonner	Flood	Kelly
Boyle	Flynn	Kilburn
Brewster	Fogarty	Lesinski
Brooks, La.	Ford	McDowell
Buckley	Fountain	Macdonald
Byrne, Pa.	Frazier	Machrowicz
Canfield	Frelinghuysen	Mason
Carnahan	Fulton	Meador
Carter	Gallagher	Morrow
Celler	Gary	Meyer

Miller, N.Y.	Reece, Tenn.	Taylor
Moore	Rees, Kans.	Teller
Morgan	Reuss	Thompson, N.J.
Moulder	Rodino	Thomson, Wyo.
Multer	Rogers, Tex.	Toll
Nix	Rostenkowski	Tuck
Norblad	St. George	Udall
O'Brien, N.Y.	Santangelo	Whitener
Philbin	Scott	Whlitten
Pilcher	Short	Widnall
Powell	Smith, Miss.	Williams
Prokop	Spence	Winstead
Quigley	Staggers	Yates
Rabaut	Taber	Zelenko

The SPEAKER pro tempore (Mr. BO-
LAND). On this rollcall 317 Members
have answered to their names, a quorum.

By unanimous consent, further pro-
ceedings under the call were dispensed
with.

ACREAGE HISTORY AND
ALLOTMENTS

(Mr. HOEVEN asked and was given
permission to revise and extend his re-
marks.)

Mr. HOEVEN. Mr. Speaker, I yield
2 minutes to the gentleman from Arizona
[Mr. RHODES].

(Mr. RHODES of Arizona asked and
was given permission to revise and ex-
tend his remarks.)

Mr. RHODES of Arizona. Mr. Speak-
er, this bill in my opinion not only rep-
resents a danger as far as the orderly al-
location of the acreage for cotton is con-
cerned, but it also represents another
attempt to preserve what I think is a
very artificial situation as regards the
allotment of acreage for cotton. This
specified fictitious system under which,
if a person complies with these artificial
rules, he may preserve his history for
planting cotton even though he does not
now plant cotton. This is fast coming
to a situation, Mr. Speaker, in which, if
a person has ever grown a cotton crop
and if he wants to play the rules of the
game from then on out, he can retain
the reputation of a cottongrower with-
out ever growing cotton again in his life.

Now, to me there is something slightly
ridiculous in this situation. I under-
stand the motives behind the commit-
tee's action and the motives behind the
Department of Agriculture in approving
this measure. There is a hope that if
you let a man retain title to certain allot-
ments, perhaps he will not plant that
cotton. Well, to me that is begging the
question.

I hope that sooner or later the House
will face up to the fact that the system
under which we now allocate crop acre-
age is obsolete, is archaic, and needs to
be worked over in the interest of making
this agricultural program make more
sense.

Mr. HAGEN. Mr. Speaker, will the
gentleman yield?

Mr. RHODES of Arizona. I yield to
the gentleman from California.

Mr. HAGEN. Is it not true that this
legislation provides an incentive for over-
planting with the further proviso that if
the fellow so situated does not plant, his
neighbors in a given area will plant it?
In other words, it is an expensive pro-
gram because it will force planting in
areas where there is currently large un-
derplanting by giving growers only the
dreadful alternative of planting or sur-

rendering to neighbors who will plant
on penalty of reduction of allotment but
it is also inequitable to those cotton areas
in the West, shall I say, which seek to
reduce the surplus by accepting lower
price supports with the hope that quotas
will ultimately become either unneces-
sary or only sporadic. This bill attempts
to establish ground rules to establish
large production in the least efficient
growing areas, those areas which have
consistently asked for high support
levels.

Mr. RHODES of Arizona. The gen-
tleman is absolutely correct. I want to
congratulate the gentleman from Cali-
fornia on the remarks he made previ-
ously. The remarks made by the gentle-
man from California set forth the case
against this bill much better than I
could possibly do it myself. The facts
certainly are as the gentleman stated,
that this bill will have the effect of trans-
ferring acreage and perpetuating what
we think is an artificial situation in that
it will continue the growth of cotton of
a quality which is not as good as could be
grown elsewhere, at a cost that is higher
than that which would prevail if the cot-
ton is grown in other areas and will, in
effect, prevent cotton from being grown
where it can be grown the best and the
cheapest, which is mainly in the cotton
producing areas of the West.

Mr. HAGEN. Mr. Speaker, if the gen-
tleman will yield further, very briefly the
background of this situation is that the
Congress created a 10-acre minimum
which was designed principally to help
the southern cotton areas. Experience
has demonstrated that in 1958, for ex-
ample, out of 900,000 cotton farmers less
than 500,000 of them planted any cotton
at all, and the bulk of those nonplanters
were these so-called 10-acre farmers lo-
cated largely in the old Cotton Belt.
This bill is designed to force those farm-
ers to plant cotton annually, which we
do not need and increase the taxes that
go with that kind of an operation.

Mr. RHODES of Arizona. The gentle-
man is correct. I call the attention of
the House to the situation of the burley
tobacco farmer. The burley tobacco
farmer has been ruined by the minimum
acreage provision of the bill under which
he now operates. I do not want the cot-
ton farmer to find himself in the same
situation as the burley farmer now is.

Mr. TEAGUE of California. Mr.
Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to
the gentleman from California.

Mr. TEAGUE of California. May I
point out that I joined the gentleman
from California [Mr. HAGEN] in signing
the minority report. I want to associate
myself with his remarks as well as those
of the gentleman from Arizona and point
out that as I see this legislation, it will
increase the surplus of cotton and be
more costly to the American taxpayers,
and, therefore, I think it should be de-
feated.

Mr. RHODES of Arizona. I thank the
gentleman. That is a point which
should be remembered by everybody,
whether they are interested in agricul-
ture or not. They have taxpayers in
their districts, many of them, and, in my

opinion, this bill cannot be good news for the taxpayers of the United States.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Speaker, the main objection that has been raised to this bill is that it will grow too much cotton. As a matter of fact, H.R. 7740, the bill that is before us, will mean less production of cotton in that under the terms of this bill a farmer can maintain his history by releasing his acreage or by growing only 75 percent of his acreage allotment. A farmer with an allotment of more than 10 acres would have to grow 90 percent of his allotment of cotton each year under the law on the statute books now, or release it as a part of it, if we do not pass H.R. 7740.

The gentleman speaks of the 10-acre provision. The gentleman from California [Mr. HAGEN] has consistently opposed that 10-acre provision. He has always been against it. He does not want the small farmer to grow cotton. These people in the original Cotton Belt have the small acreages and they are entitled to a livelihood, they are entitled to continue in the cotton business as well as the larger farmers.

Under the terms of this bill, the 10-acre man would be brought under the law just as is the man who grows more than 10 acres. He would be able to plant 75 percent of his allotment whereas, under the present law, he only has to plant one-tenth of an acre in order to maintain that 10-acre history.

Mr. HAGEN. Mr. Speaker, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman.

Mr. HAGEN. In other words, the gentleman now wants to take away from the 10-acre grower something that the Congress gave him a few years ago.

Mr. GATHINGS. What we want to do is to put him on the same basis. That would eliminate the gentleman's argument. The gentleman wants to eliminate the 10-acre man completely. Under the terms of this bill, a 10-acre man will be on the same, identical footing. That is, he would have to plant at least 75 percent of his allotment in order to maintain his history.

This bill is brought to us because of the fact that in the 1956 Soil Bank Act there was a provision, section 477, which automatically preserved the history of all these basic crops. That provision was written in in 1956 and applied to the 1956, 1957, 1958, and 1959 crops. It expires at the end of this year. Something needs to be done because of the fact that otherwise we will have no automatic preservation of this history after this year. So the Department has come in and recommended approval of this bill. As a matter of fact, the groups from across the whole belt, with very few exceptions, approved this legislation. There was only one letter in opposition, and that came from the State of Arizona.

On the last day of the hearings the chairman asked the question—and we had 4 days of hearings—whether there was anyone present who opposed this legislation and no one responded.

Everyone who appeared before us was in favor of it. The bill has been worked out carefully down in the Department by those who are interested in this proposal and throughout the whole belt. It is good, sound legislation and I do trust that it will be approved.

The two gentlemen from California [Mr. HAGEN and Mr. TEAGUE] filed a minority report on this bill. I would like to discuss this report paragraph by paragraph.

✓ Page 21, paragraph 3: Section 1 of the bill does not freeze all current allotment relationships among States and among counties within a State. Mr. H. L. Manwaring, an official in the Department of Agriculture who participated in drafting and recommending the provisions in section 1 to the Congress, has recently explained that it was the Department's intention that a county and State be credited with acreage history only to the extent that farms are credited, and that after reviewing the matter again it is his belief that the language is clear on this point.

Paragraph 4: As indicated above, the acreage history for a county and State under section 1 of the bill will depend entirely on the acreage credited to farms in the county and State. If there is no credit for a farm, then there will be none for the county and State.

Paragraph 5: This paragraph implies that the question of providing for the preservation of acreage history for the several basic commodities has not been thoroughly considered.

It is generally understood among persons who follow agricultural legislation and programs that section 377 of the Agricultural Adjustment Act of 1938, which provides for the automatic preservation of acreage history equal to the farm allotment, expires with the 1959 crops. Evidence of the widespread information on this fact and the action taken to extend section 377 beyond the 1959 crops is as follows:

First. In December 1958 the American Farm Bureau Federation at its annual convention adopted a resolution that farmers should not be required to plant their allotments in order to keep history.

Second. In January 1959 Senator STENNIS introduced a bill to make section 377 permanent law.

Third. In March 1959 the Department of Agriculture recommended to the Senate and the House that section 377 be extended in modified form. H.R. 5741 and S. 1418 were introduced containing the Department's recommended provisions.

Fourth. On June 1, 1959, at a hearing before the House Committee on Agriculture, Assistant Secretary McLain renewed the Department's recommendation that section 377 be extended in modified form.

Fifth. On June 15, 1959, H.R. 7740 was introduced, containing in section 1 the provisions for history preservation as previously introduced in H.R. 5741.

Sixth. On July 15, 1959, a press release was issued by Chairman COOLEY requesting persons interested in H.R. 7740 to forward their views or testify at a hearing scheduled for July 22, 1959.

Seventh. At the hearing on July 22, 1959, numerous witnesses were heard, and several messages from coast to coast, all endorsing H.R. 7740, except one letter from Arizona, were placed in the record.

Paragraph 7: This paragraph refers to section 1 of the bill as a stimulant to the planting of unneeded acres of cotton. This is entirely wrong. If section 1 becomes law, acreage history equal to the farm allotment will be credited to the farm, county and State each year if once during each 3-year period at least 75 percent of the farm allotment is planted—or regarded as planted under the soil bank program. If section 1 or a similar provision is not enacted, a cotton farmer can provide acreage history equal to the farm allotment for his farm, county and State by planting not less than 90 percent of the farm allotment each year.

Paragraph 8: It is stated that section 2 attaches "a penalty of loss of allotment to the farmer who wisely decides not to plant because of the overall supply-demand situation." This statement is wrong. Section 2 does not penalize a farmer with loss of allotment if he fails to plant. Under section 2 a farmer who in a given year finds or decides the allotment should not be planted may protect his allotment base for the following year by releasing the unused allotment to the county committee.

Page 22, paragraph 1: The bill does not say "plant annually to the maximum of your allotment." It says a farmer may receive full credit for planting an acreage equal to his farm allotment by planting at least 75 percent of the farm allotment.

Paragraph 2: The year 1958 is not a representative year for illustrating operation of the cotton allotment program. The terms of the soil bank acreage reserve program for 1958 were extremely attractive to thousands of small cotton farmers and many of them placed their entire allotments under the program. It might be added that many large cotton farmers found the 1958 program attractive and placed as much of his allotment in it for payment as the limitation allowed.

✓ Paragraph 3: No statistics can be assembled to prove or disprove the statement that "H.R. 7740 will do long-range harm to the whole cotton industry." The bill will permit cotton allotment to shift to farms which annually meet the rigid requirements as to planting and releasing of allotment. From a long-range standpoint, it is likely that generally, these will be the farms on which cotton can be produced efficiently and economically and that having cotton production in the hands of the operators of these farms will be in the best interests of the whole cotton industry.

(Mr. GATHINGS asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the Record on the bill now under consideration.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. HOEVEN. Mr. Speaker, the first section of the bill relating to all of the allotment crops was recommended to the Congress by the Department of Agriculture. Section 2 on cotton represents a compromise between the Department and agricultural leaders from North Carolina to Texas. For the past 2 years these leaders sought statutory authority for the selling or leasing of allotments by one farmer to another. The Department strongly opposed this approach to solving the allotment problems of farmers in certain areas. At hearings before our committee on early June it was agreed that some of these persons and the Department would try to work out some changes in the cotton program. The provisions in section 2 represent the results of that effort.

H.R. 7740 is not major farm legislation. It deals solely with the procedures for establishing farm cotton allotments and calculating farm, county, and State acreage history for cotton as well as other crops for which acreage allotments are now used; namely, wheat, rice, tobacco, and peanuts. The bill does not drastically alter procedures now in effect for these commodities. But it makes several changes which are considered important by representatives of most of the affected farmers, especially for cotton.

The first section of the bill extends, in modified form, a provision of present law which recognizes the interest farmers have in maintaining their yearly acreage history on which the size of future allotments is predicated. This provision recognizes the proposition that the Congress should not require, at a time when the Nation is overstocked with all of the affected crops, each farmer annually to plant an acreage approximating the farm allotment in order to protect his future allotment position. For the years 1956 through 1958 the Government paid farmers under the Soil Bank Act for not planting the full farm allotment. H.R. 7740 is expected to accomplish a reduction in production of the allotment crops at no cost to the Government. It permits and encourages the wheat, cotton, peanut, rice, and tobacco farmers to produce less and still keep their allotments. Specifically, it provides that the full farm allotment will be considered as planted if in the year then current—beginning with 1960 crops—the acreage planted—or regarded under the Soil Bank Act as planted—is at least 75 percent of the farm allotment.

For cotton the bill will allow farmers to protect their allotment status by meeting each year prescribed requirements as to planting and releasing the allotment. The farmer who fails to safeguard his position, be he a large or small operator, will find his allotment reduced and the acreage so lost will be absorbed by other cotton farms.

In time, it is believed the cotton provisions in section 2 of the bill will result in increasing the allotments, nationwide, for the farms which year after year fully utilize their allotments in accordance

with the planting and releasing procedures. It will be assumed that these will be the farms on which cotton is produced most efficiently and economically. This is where cotton must be grown if this wonderful natural fiber is to compete successfully in the future with synthetic fibers and foreign cottons.

Mr. BROCK. Mr. Speaker, during the present session of this Congress I have taken the floor on several occasions to register my protest, and the protest of livestock raisers and farmers in Nebraska and other Farm Belt States, against the importation of livestock and red meats into the United States. These imports, and the importing of the processed meats, have dug deeply into the economy of the American farmer. This is particularly so now, because of the abundant corn crop being harvested which in turn brings about cheaper feeding of livestock and a heavy market of beef cattle and hogs. The heavy market naturally causes lower prices for the producer. If this is not enough to contend with, we now have more grief for the producer by increased importation of livestock and red meats.

While my previous remarks on this floor were directed against the imports of beef and red meats, we now have another importing problem that will materially, if not financially, affect another phase of the livestock business. I am referring to the increased importing of lambs from Australia and New Zealand. We have just received a shipment of 30,000 head, which will help to depress the domestic lamb market. To add insult to injury, the same exporters who sent this trial shipment, are planning to ship us 200,000 or more, head of lambs in the next 2 or 3 months, if the trial shipment is successful. The trial shipment will be on the fat market in 3 or 4 weeks and can and probably will sell for \$10 per head less than for what we can produce or sell fat lambs domestically.

How much longer are we to wait before some concrete action is taken by this Administration and the Department of Agriculture to halt the increasing importation of livestock and red meats, now the lambs, before the American livestock raiser and the farmer is forced to the wall and financial ruin by cheap imports. This latest action could very well be the beginning of the end for the sheep industry in the United States.

Mr. JONES of Alabama. Mr. Speaker, I rise to support H.R. 7740, a bill to provide for the automatic preservation of acreage history for basic commodities and to permit a farm, county, and State to retain its full cotton acreage history.

On June 17, 1959, I introduced H.R. 7783, a similar bill to H.R. 7740. I am particularly interested in this legislative proposal since it will do much for our cotton producers who are in great need of consideration at this time. In my congressional district of Alabama there is more cotton grown than in any other district of the State. Cotton growing is still a major crop in my area, and many people there are dependent upon cotton for their livelihood. When this industry is in a healthy condition, our whole sec-

tion feels the economic impact. Conversely, when cotton is depressed, my people are very adversely affected.

I understand that the U.S. Department of Agriculture has announced its acceptance of the provisions of H.R. 7740 and has placed its stamp of approval on the bill. This action on the part of the Department should pave the way for prompt passage by both Houses of Congress, so that the bill may be sent to the White House for the President's signature before this session of Congress is over.

Section 1 of H.R. 7740 continues on a permanent basis the preservation of acreage history for the six basic commodities. This provision in the present basic Farm Act expired on June 30, 1959, and unless steps are taken to continue this provision, great hardships will be experienced by the producers of basic commodities. Producers of some of these commodities are already faced with the fall planting season within a few weeks. In addition, all farmers would like to know whether this provision of law will be kept so that they can start making their plans for seed, fertilizer and other essential items for next year's crops.

Section 2 of H.R. 7740 permits a farm, county and State to retain its full cotton acreage history without full planting of each farm allotment each year. This is done by prescribing certain requirements as to planting cotton or releasing unused allotment to the county committee. During the past several years, many States including Alabama have lost considerable cotton acreage due to the failure of farmers to plant their allotment each year. Under section 2 of this bill, this leak in the barrel would be plugged up to an appreciable extent, and this is exactly what is needed at this time. If certain farmers do not use or want to use their cotton acreage allotment or turn it back each year to the county committee, the county or State acreage history should not have to suffer a decrease for future allotment purposes. This bill affords a workable and practical solution of this problem.

Mr. Speaker, I sincerely urge the House to vote to suspend its rules and pass H.R. 7740 today. This bill is urgently needed, and time is of greatest essence in passing this measure. We need to pass this bill now so that our farmers can have sufficient time in which to make their plans for their next crop. H.R. 7740 is supported by both sides of the aisle and has the cooperation of the Department of Agriculture. With this bipartisan support, H.R. 7740 should be written into law at an early date.

Mr. GRANT. Mr. Speaker, H.R. 7740 is a very simple piece of legislation which deals with the acreage history and allotments for crops in the operation of production adjustment programs. Unless this or some other legislation is enacted, producers of allotted crops, beginning next year, must plant each year in order to maintain the acreage history for their farms, county and State.

If legislation is not enacted, there will necessarily be an increase in production

of crops already in surplus. This is true because in order to maintain history, it will be necessary for a grower to plant his allotment. H.R. 7740 would transfer this unused cotton allotment to other farmers, first within each county and then within the State. If not used in the State, it would become available for distribution in other States. This is fair and equitable legislation.

Some may say that if a farmer does not want to plant his allotment, that he should be made to give it up and that it first go to the national allotment. This would not be a fair way to handle it. The bill spells out how it should be handled. Justice can only be done where it first is used, in the county where it belongs, then to the State, and then on a national basis.

Unless this legislation is enacted, farmers with allotments above 10 acres can only protect future allotments by having planted 90 percent, thus adding to the surplus. H.R. 7740 merely permits the farm, county, and State, to retain its full cotton acreage history without full planting of each farm allotment each year. This legislation will mean a great deal to a lot of people and will not contribute to the cotton surplus.

Mr. ROBERTS. Mr. Speaker, I want to put myself on record as commending the gentleman from North Carolina [Mr. COOLEY] and the gentleman from Arkansas [Mr. GATHINGS] and his committee for the devoted efforts put into H.R. 7740; and as supporting the passage of this bill.

I stated in the House on January 15 of this year that it is mandatory that the 86th Congress act at the earliest possible moment to modify the laws regulating the allocation of cotton acreage.

Of course, I am delighted for this opportunity before adjournment to act upon legislation which would have this effect. I think the people expect the Congress to do something on this problem before it goes home.

A few months ago, I received a telegram from the Governor of Alabama, the Honorable John Patterson, and he said, in part:

A survey conducted in each of Alabama's 67 counties indicates that unless the flexibility in acreage allotments which the leasing measure that you support provides is effected for 1959, Alabama will stand to lose the creation of new wealth on nearly 100,000 acres of good cotton land.

The Governor was referring to the bill which I introduced during the opening month of this session to provide for the lease and transfer of acreage allotments.

I was disappointed that the studies required on this problem made it impossible to take definitive action in time to affect the 1959 cotton crop.

However, our cotton farmers still need the greater flexibility in the cotton acreage allotments that this bill provides.

The sections of the bill dealing with transfer of unused cotton acreage allotments will have the effect of giving the farmer who wants to grow cotton the right to do so.

Under present conditions, we have not provided a ready funnel for the flow of

allotted acreage from farmers who are only partially interested in farming to the farmers who want, need, and can utilize additional acreage.

This bill provides that unused cotton allotments would be transferred to other farms, with first preference going to farmers within the same county.

This will require that a farmer plant his cotton acreage allotment, turn it loose to retain the acreage history on his farm, or forfeit it to other farmers who want to use it.

Farmers who plant 75 percent or more of their farm allotment will be regarded as having planted their entire current farm allotment. Those who do not plant or release 75 percent of their allotments will have their allotment bases reduced, and allotments of these farms would shift to other farms with bases not reduced.

This would have a revitalizing effect on production in the cotton States.

A leader in studying Alabama cotton problems tells me that he believes H.R. 7740 will enable greater utilization and planting of Alabama's cotton acreage than any law since allotments have been in effect.

Under this bill, a county or State would not lose any acreage history credit for underplanting as long as the farms maintain their history by planting or releasing acreage to other farmers.

I think this is as it should be. The farmers who are truly interested in farming and preserving their county's acreage history are encouraged to do so.

Mr. Speaker, I urge the action of the House in this regard to give some relief to one portion of the overall farm picture.

Mr. WHITENER. Mr. Speaker, as the Representative of one of the largest cotton-producing congressional districts in North Carolina I am particularly pleased that the House has scheduled action on H.R. 7740.

The provisions of this bill are of great importance to all farmers in the 11th Congressional District of North Carolina, and especially so to the farmers in the four cotton-growing counties of Gaston, Cleveland, Rutherford, and Polk.

We are all aware of the serious hardships with which the cotton farmer in all sections of the country has been confronted during the past several years. Probably no other group of cotton farmers, however, has experienced a greater degree of hardship and economic distress than has been the lot of the cotton farmers in North Carolina.

We in North Carolina are proud that our State has more individual farms than any other State in the Union. Over 267,906 farms dot the landscape of our State, and on approximately 40 percent of these farms cotton is cultivated.

The production of cotton, therefore, is vital to the growth and economic stability of North Carolina. Nowhere is this fact more apparent than in the congressional district I am privileged to represent in this Congress.

During the past several years there has been a steady decline in the number of cotton allotments and cotton acres allocated in North Carolina. In 1954 my State had 91,039 allotments and 624,831

acres allocated for cotton. This year North Carolina only had 82,097 cotton allotments and 485,992 acres allocated for the crop. When we realize that in 1926 the State had 1,802,000 acres of cotton under cultivation and produced 1,208,000 bales of the fiber, the swift decline that has taken place in the cotton economy of the State becomes all the more apparent.

The drop in allotments and acreage during the past several years has been reflected in the situation existing in the four cotton-producing counties in my district.

In 1954 Gaston County had 946 allotments and 5,355 acres allocated. Today the county has only 823 allotments and 3,740 acres set aside for cotton.

Cleveland County, the largest cotton-producing county in North Carolina, had 3,557 allotments in 1954 and 40,826 acres allocated. This year Cleveland County had only 3,331 allotments and 34,359 acres allocated.

In Rutherford County the trend also has been downward. The county had 12,173 acres allocated and 2,160 cotton allotments in 1954. The situation today finds the same county having 11,214 acres allocated and 1,848 allotments.

Polk County had 421 allotments in 1954 and 1,938 acres allocated. The 1959 figures reveal that this county has 1,820 acres allocated with 453 allotments.

Mr. Speaker, I believe the same story would be told if we were to examine the figures for every cotton-producing county in North Carolina. Year after year, allotments and cotton acreage have decreased in the State. As a result, many of our small cotton farmers have been forced to find other means of employment.

It is imperative, therefore, that we enact H.R. 7740. I commend the House Committee on Agriculture for bringing this bill to the floor, and I am pleased that the Department of Agriculture has realized the seriousness of the situation facing the cotton farmers and has given the Department's endorsement and support to this legislation.

Under the provisions of this bill unused cotton allotments within a county will be distributed among other cotton farmers in the same county. Any of the allotments not used after this has been done will be distributed within the State, and if there is a State surplus, other States will share in it. This is a realistic approach to a situation that has become exceedingly worse with each passing year.

Simply stated, this bill will provide that a farmer must plant his acreage allotment. If he does not do so he can voluntarily release it and retain the acreage history on his farm. Otherwise, he will gradually forfeit his allotment to the use of other farmers who desire to plant a larger cotton crop.

H.R. 7740 has had the support of cotton-producer associations. In talking with the cotton farmers in my congressional district I find that they are likewise heartily in favor of the enactment of this legislation. There is, of course, no cure-all for the problems of the cotton producer, but the enactment of H.R.

7740 will go a long way toward alleviating some of the present difficulties he is experiencing. The bill deserves the support of every Member of the House.

Mr. HEMPHILL. Mr. Speaker, the Committee on Agriculture is to be congratulated for promptly reporting out H.R. 7740, which allows unused cotton allotments to be transferred to other farms, first, within each county and then within the State. Allotted cotton acreage not used within the State subsequently would become available for distribution in other States.

Cotton is a great commodity, and we who live in the original cotton country have seen the Government program disparage the growth of cotton rather than encourage it. Since allotments could not be transferred, we have had great difficulty in justifying an investment to grow a crop which had no great potential for farm income. This bill changes that, and I am delighted.

Many of my farmers have spoken to me about this legislation, and I hope it will pass when the vote is taken on Wednesday. I understand this is approved by the Department of Agriculture.

It is my hope this bill, if enacted into law, will relieve some of the surplus supply, since it will no longer demand that 90 percent of the farm allotment be planted each year in order to protect future allotments.

I hope South Carolina will keep its full cotton acreage history without full planting of each farm allotment each year.

Finally, it gives the farmer the select right to trade off his allotment and use it for some purpose other than his own. He can help his neighbor, he can help his country, and he can help his community.

I urge the passage of H.R. 7740.

Mr. ELLIOTT. Mr. Speaker, for many years I have been interested in legislation which will bring out economic justice for the cotton farmers of our Nation, my State of Alabama, and the Seventh Congressional District of Alabama, which I have the honor to represent. The Seventh Congressional District has, basically, a rural economy. We have around 26,000 farm families, whose farms will average approximately 50 acres. However, the number of farmers in our district has been decreasing in recent years. In many cases, I think, our farmers have left the land because their cotton acreage has been reduced to such a level that planting it is not economically feasible. A real economic squeeze has enveloped our small farmers. The economic distress of our people in the Seventh District has been further accentuated by the closing of many of our coal mines; therefore, in my opinion, something must be done to preserve for our farmers the opportunity to make an adequate living.

Early in this session of Congress I introduced two bills which, in my opinion, would help alleviate the problem of the decreasing cotton allotments in my district. One bill provided for the lease and transfer of cotton allotments; the other provided for a 1-year carryover of cotton farm acreage allotments when

planting had been prevented by bad weather conditions.

H.R. 7400, which is now before us, in effect, embodies the concepts of both of the bills which I introduced. I, therefore, urge approval of this bill. This bill provides a reasonable mechanism through which a farm, a county, and a State may retain its full cotton acreage history without full planting of each farm allotment each year.

As you know, under the present law, the basic allotments for counties and States are based on the cotton history for the previous 5 years. As a result, if a farmer does not plant his allotted acreage, the amount not planted will be reflected in a reduction of the acreage history for his county and his State. During the past few years, there have been many farmers who have chosen not to plant their full allotment, or none of their allotment. This underplanting has caused our State and district to lose part of its cotton acreage. Last year alone our Seventh Congressional District's acreage allotment was reduced by almost 4,000 acres.

This legislation now before us would preserve acreage history equal to the farm allotment of an individual farm, if during the current year or during either of the two previous years the acreage planted in cotton on the farm, or regarded as planted according to established regulations, was the equivalent of 75 percent or more of the farm's allotment.

Furthermore, it provides for the transfer of unused cotton acreage allotments to other farmers, first within the county, and then if still unused, to another farmer within the State. Thus, the acreage allotment history for a county may be fully maintained over a period of years even though the full allotment is not being used in any one year. This, I would hope, would result in a county retaining virtually its same allotment year after year. To put it simply, as I see it, this bill will have the effect of requiring a farmer to plant his cotton acreage, voluntarily release it to another farmer within his county, or gradually forfeit his allotment to other farmers who wish to use it.

Early this year I had a letter from the Honorable John Patterson, Governor of Alabama, regarding the problem of leasing or transferring acreage allotments. His letter stated, in part: "Farm leaders from all over Alabama are concerned about the wholesale abandonment of cotton allotments due to the situation on many of our farms where small allotments, coupled with low prices, have rendered cotton production unprofitable. A survey conducted in each of Alabama's 67 counties indicates that unless flexibility in acreage allotments is effected for 1959, that Alabama will stand to lose the creation of new wealth on nearly 100,000 acres of good cotton land. Even at present prices and yields (this bill) has been estimated to prevent the loss of over \$15 million worth of new wealth for Alabama in 1960 alone. Consequently, this cotton measure could well be one of the most important measures to come

before the Congress in 1959 so far as the economy of the State of Alabama is concerned."

I am happy to note, Mr. Speaker, that provisions of this bill relating to cotton allotments and acreage history were arrived at through a conference with representatives of our cotton producers and officials of the U.S. Department of Agriculture. This is the kind of cooperation we need if we are to arrive at adequate solutions to our farm problems. There is a great deal of sentiment in favor of this bill. It has been supported by communications from every part of the Nation's Cotton Belt, and during the course of the hearings on this legislation not one single witness appeared in opposition to it. I expressed to the Agriculture Committee, during the course of the hearings on this bill, my approval of its purpose. I reaffirm that support now and urge the passage of H.R. 7740.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. HAGEN) there were—ayes 58, noes 31.

Mr. COOLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the unanimous consent agreement heretofore made, that vote will be passed over until Wednesday.

TO ACQUIRE AND TRANSFER CERTAIN REAL PROPERTY TO THE COUNTY OF SOLANO, CALIF.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 697) to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 6, line 4, strike out "8.26" and insert "78.26."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DURHAM]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

STATE PARTICIPATION IN EMERGENCY FEED, SEED, AND ROUGHAGE PROGRAM

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6861) to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, notwithstanding any other provision of law, no feed for livestock or seed for planting shall be furnished to farmers, ranchers, or stockmen pursuant to Public Law 875, Eighty-first Congress (42 U.S.C. 1955 and the following); Public Law 115, Eighty-third Congress, first session; Public 357, Eighty-third Congress, second session; Public Law 480, Eighty-third Congress, second session; or pursuant to any other law as a disaster relief measure, unless, in addition to such administrative costs as may be assumed by the State, the State in which such feed or seed is furnished agrees to contribute 25 per centum to that part of the cost, including transportation, of such feed or seed which is not paid for by the recipients thereof: *Provided, however*, That the effective date of the foregoing percentage of cost provision shall be three years after the enactment of this Act: *And provided further*, That feed for livestock deprived of their normal feed sources by extreme emergency conditions may be furnished temporarily by the Secretary without State participation in the cost of such feed.

The SPEAKER. Is a second demanded? [After a pause.] If not, the Chair will put the question.

The question is on the motion to suspend the rules and pass the bill, as amended.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

(Mr. HOEVEN asked and was given permission to extend his remarks at this point in the Record.)

Mr. HOEVEN. Mr. Speaker, H.R. 6861 is sound and needed legislation. It requires that States participate in the cost and the administration of Federal feed, seed and roughage assistance programs. It has the approval of the Department of Agriculture and has been reported almost unanimously by the Committee on Agriculture.

I would, Mr. Speaker, like to review the background and the reasons for this legislation.

The emergency feed program began in 1953 in an effort to deal with an extremely serious drought situation. Some southwestern areas at that time were entering their fourth year of critical drought conditions. The growing shortage of feed and water for livestock caused many farm and ranch families extreme difficulties in maintaining their foundation herds of livestock. In those areas where extreme drought and other major natural disaster conditions have existed, the primary objective of this program has been to give the necessary assistance promptly and efficiently to distressed farmers and ranchers.

The program has been operated on the local level through the Agricultural Stabilization and Conservation Committees. The abuses have been relatively slight and the Department has taken action to recover some \$4½ million from feed dealers, farmers and ranchers who have misused the program.

Up to the present time the Federal Government has assumed the entire cost and administration of the program.

Last year both the House and the Senate passed bills to require State participation in this program, but these bills died in the closing days of the 85th Congress before conferees were appointed. Last year the Senate bill provided for State participation from 25 to 50 percent, while the House bill allowed a 10-percent contribution.

I introduced H.R. 6861 first because I strongly feel that the Government closest to the people is the best government and second, because this bill will reduce the cost of the Federal agricultural program.

In addition, Mr. Speaker, the bill provides a 3-year period for State legislatures to make whatever statutory or constitutional changes which may be necessary in order to participate in the program. The bill leaves open the door for special aid in case an extreme emergency such as a flood or a tornado strikes a particular State. In such a case, no State participation in the cost of the feed, seed or roughage would be required. I would also like to point out that this legislation is in accord with the Governors' conference and the President's policy of establishing joint Federal and State responsibility and cooperation in the administration of the affairs of government.

This bill is by no means a precedent. There are many agricultural programs which operate on this principle. A few are as follows:

First. Payments in State departments of agriculture, bureaus of markets, and similar State agencies under section 204(b) of the Agricultural Marketing Act of 1946 for marketing service activities.

Second. National school lunch program: Contributions by State and local interests of \$3.50 to each \$1 of Federal funds are required by the School Lunch Act of 1946. Payments for meals by children are included in the contributions by the State or local interests.

Third. Payments to State experiment stations: The Hatch Act, as amended, provides that any amount allotted to any State in excess of \$90,000 shall be matched by the State out of its own funds for research. Payments are also made to States on a matching basis for marketing research under the Agricultural Marketing Act of 1946.

Fourth. Payments to State extension services: The Smith-Lever Act, as amended, provides that the major portion of the funds appropriated for grants for the cooperative extension program to be matched by the States. Marketing educational work is also conducted under the Agricultural Marketing Act of 1946 on a matching basis.

Fifth. State and private forestry activities: The U.S. Forest Service makes payments to State forestry agencies for forest fire protection, reforestation, and good management of woodlands which must be matched by the cooperating States.

In conclusion, Mr. Speaker, this legislation follows an established and successful principle of government and as such should be enacted.

INCREASED AUTHORIZATION FOR THE 1960 AND 1961 SCHOOL MILK PROGRAM

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1289) to increase and extend the special milk program for children, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of Public Law 85-478 (172 Stat. 276), is amended to read as follows: "That for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed \$81,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$84,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under and (2) in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

The SPEAKER. Is a second demanded?

Mr. HOEVEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. JOHNSON] such time as he may desire to explain the bill. The gentleman from Wisconsin is chairman of the dairy subcommittee of the House Committee on Agriculture who dealt with this problem.

Mr. JOHNSON of Wisconsin. Mr. Speaker, the Dairy Subcommittee held extended hearings on this matter. The testimony before the committee showed that the \$75 million which is now appropriated for the special school milk program would not be enough. It was necessary to raise the appropriation for the year 1959, which was done by separate legislation. It was also necessary to raise the \$75 million for the fiscal year 1960 and 1961. The committee amended S. 1289 to provide \$81 million for fiscal year 1960, and \$84 million for the fiscal year 1961. This was done unanimously by the Dairy Subcommittee, and this action was agreed to unanimously by the full committee. All the bill does is provide \$81 million for fiscal 1960 and \$84 million for fiscal 1961 from Commodity Credit Corporation funds.

(Mr. JOHNSON of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Speaker, I thank my colleague for yielding to me.

Mr. Speaker, I would like to ask a direct question, if I may. I was the lone Member of the House last year to oppose the school milk program. I tried to state in the Record at that time why I did. I would like to ask the gentleman, the chairman of the subcommittee, a question. Is the primary purpose of this bill

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BUDGET. Sen. Johnson inserted a statement "showing the cuts that have been made since fiscal 1955 in the President's budget requests and some excerpts of statements I have made concerning the budget throughout the year." pp. 13814-5

Sen. Bennett inserted his letter to and the reply from Budget Bureau Director Stans discussing proposed legislation to provide for capital budgeting by the Federal Government. pp. 13834-5.

Sen. Mansfield inserted a Wall Street Journal editorial taking exception to statements by Sen. Johnson "that the 86th Congress will trim one-half a billion dollars from the President's budget," and inserted a table indicating the status of appropriation bills up to the present time. p. 13835

HOUSE

2. ACREAGE ALLOTMENTS; COTTON. Passed with amendment S. 1455 and amended the title of this bill to read, to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and reallocation of unused cotton acreage allotments. The House previously passed under suspension of rules, by a vote of 308 to 90, H. R. 7740, a similar bill, and then substituted the provisions of H. R. 7740 for the language in S. 1455, and laid H. R. 7740 on the table. pp. 13872-3

One section of this bill provides that beginning with the 1960 crop, the entire current farm allotment for all crops subject to acreage allotments shall be considered as planned if, during the current year or either of the 2 preceding years, the acreage planted was at least 75% of the allotment. (Since the automatic preservation of acreage history for allotment purposes expired with the 1959 crops, farmers, without this or a similar bill, would have to plant each year to preserve acreage history, resulting in higher total production.) Other sections of the bill provide that unused cotton acreage allotments would be transferred first to other farms within the county, second, to other farms within the State, and finally, if still unused, to farms in other States.

3. ATOMIC ENERGY APPROPRIATION BILL FOR 1960. Received the conference report on this bill, H. R. 8283 (H. Rept. 772) (p. 13888). This bill provides funds for biology, medicine, training, education, and information and authorizes a transfer of funds to the National Science Foundation.

4. DROUGHT RELIEF. Rep. McGovern stated that "large sections of ... South Dakota are gripped by severe drought conditions," and that he has urged Secretary Benson "to make available at reduced prices surplus Government-held grain that is bulging from CCC bins and local storage facilities in the drought area," and inserted an editorial, "CCC Corn Can Help Meet Drought Crisis." p. 13874

5. WILDLIFE. The Merchant Marine and Fisheries Committee reported two bills: (1) H. R. 2565, with amendment, to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations (H. Rept. 767); and (2) H. R. 7045, without amendment, to authorize the establishment of the Arctic Wildlife Range, Alaska (H. Rept. 771). p. 13888

6. FOREIGN TRADE; TRANSPORTATION. The Merchant Marine and Fisheries Committee reported without amendment H. R. 5067, to repeal sec. 217 of the Merchant Marine Act of 1936, which authorizes the Department of Commerce to coordinate foreign trade activities of the Federal agencies and private firms (H. Rept. 768). p. 13888

17. WATERSHEDS. Both Houses received from the Budget Bureau the following watershed plans: Marsh-Kellogg watershed, Calif.; Upper Clear Boggy Creek watershed, Okla.; and Roanoke Creek watershed, Va., all of which have been prepared pursuant to sec. 5 of the Watershed Protection and Flood Prevention Act, as amended; to the Public Works Committees. pp. 13812, 13888
18. SCIENCE. The "Daily Digest" states that the Science and Astronautics Committee voted to report (but did not actually report) a clean bill in lieu of H. R. 6288, to establish a National Order of Science to provide recognition for individuals who make outstanding contributions in science and engineering. p. D718
19. VIRGIN ISLANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 7870, to amend the Revised Organic Act of the Virgin Islands. p. D718
20. ELECTRIFICATION. Rep. Saylor criticized the provisions of S. 2471, to eliminate certain requirements (provided in H. R. 3460, now before the President) that the President submit to Congress and Congress approve power project plans, and stated "both the sponsors and opponents of S. 2471 freely admit that the bill relinquishes all executive and Congressional control over the financing and spending of three-quarters of a billion dollars by this Federal agency/TVA." pp. 13886-7
21. MONOPOLIES. Rep. Johnson, Colo., stated that in his district there is a serious problem of "the destruction of competition in the dairy industry through monopoly practices," and answered criticism of his economic views by Rep. Curtis, Mo., by retorting that while he strongly defended the free enterprise system from being "strangled by those enterpriess who seek monopoly," he was being falsely tagged as a Socialist. pp. 13882-3
22. LEGISLATIVE PROGRAM. Rep. McCormack announced that the atomic energy appropriation bill (H. R. 8283) may be brought up today (Aug. 6), that the military construction appropriation bill (including use of Public Law 480 foreign currencies for overseas housing) would be considered Mon., that the Private Calendar will be called Tues., that conference reports may be brought up at any time, and that the House would adjourn from Thurs. to Mon. pp. 13873-4
23. INFORMATION. The report of Aug. 3 (H. Rept. 744) on H. R. 8374, to authorize the appropriation of funds for Federal Government participation in the Century 21 Exposition (under Public Law 85-880) to be held in Seattle, Wash., in 1961 and to clarify the intent of the original act, states that this Department will participate in the exhibit by providing displays on breeding and genetics, by demonstrating new crops and presenting new techniques of raising better animals, and by showing new food sources. The Department of Commerce, which has already used money from the President's emergency fund for planning purposes, is the coordinating agency for the Government in preparation for the fair. The bill authorizes \$12.5 million to be appropriated to cover the Government's costs.

ITEMS IN APPENDIX

24. ELECTRIFICATION. Extension of remarks of Rep. Gubser favoring the joint development of the proposed Trinity River project and stating that "there should be no appropriation for needless Government construction at Trinity." p. A6747
25. PERSONNEL; EMPLOYMENT. Extension of remarks of Rep. Judd urging adoption of his proposed plan to create a Federal Interagency Committee on Federal Employment of its Older Workers, and stating that "the Government itself must take

by the Woodner later. I had no idea it would work out that I would be seated by Hoffa himself and have a chance to talk with him for more than an hour, but I welcomed the opportunity.

My first question was, "Are you discouraged?" I thought he might have reason to be. He emphatically denied that he was. "I do everything I can, then I see what happens and live with it," he told me.

Consulting his lawyer, Sidney Zagri, and his international vice president, Harold Gibbons, who were sitting beside us, he said their latest count showed that the Landrum-Griffin bill had enough votes for passage. They did not regard this as final and thought they would have a better count today.

I said I had been to six different meetings of Congressmen trying to learn about the legislation and its alternatives. I volunteered that I did not intend to vote for the Landrum-Griffin but for the Shelley bill, if offered as a substitute amendment, and, unless my close attention to the debate changed my mind, for the committee bill, assuming the Shelley amendment failed. The question, it seemed to me, was whether the committee bill did or did not do more harm than good.

"It'll set labor back 15 years," Hoffa said, but he admitted that labor could live with the hot-cargo provision of the committee bill if the parenthetical words "other than his own employer," appearing on pages 69 and 70, were removed, a matter which I understand will be attempted in conference if it is not done first on the floor of the House.

Hoffa's real objection to the bill apparently is with reference to its provision on organizational picketing. He says an employer who recognizes as few as two members of a union in a plant of, say, 125 employees is protected from organizational picketing for 9 months. Zagri backed this contention. Congressman O'HARA, Democrat, of Michigan, however, tells me this is not true.

To my surprise Hoffa said he had no objection to the internal reform part of the committee bill, that is, the part that might be said to be dedicated to Jimmie Hoffa.

He did not bluster. The closest he came to threatening was his statement that all the Democratic Congressmen who voted for Taft-Hartley failed to win reelection except one, who was beaten the next time around.

"When the workingman gets hit here," he said, slapping his pocket, "he'll make his feelings known at the polls." I agreed with him on that and pointed out that this was the way our system was supposed to work.

In answer to a reference of mine to the disrepute of himself and his top colleagues he blamed it all on the newspapers and the commentators. He said he would be answering the Senate report issued yesterday. "Do you believe that the Department of Justice is honest?" he asked. While I was still considering my reply he told me of a report he said they had just issued stating that most of the perjury cases referred by the McClellan

committee were without basis. Hoffa told Gibbons to send me a copy.

I mentioned that his office—finally, after three requests of mine to Teamster officials—had sent me a copy of all their officers, elected or appointed, who had been convicted of felonies along with data as to what varieties and on what dates. He said he sent me the same list he gave the McClellan committee and that they had never criticized it. Senator KENNEDY wrote me the other day I would soon get an answer to my query to him, several months ago, about the veracity and completeness of the Hoffa list.

The great majority of teamsters are men trying to earn a living and trying, as they have every right to do, to improve and defend their lot in life. Aggressive, unscrupulous men like Hoffa come to the fore because the circumstances of their battle with employers call for his type.

Many people tend to forget that this is a labor-management reform bill, that the McClellan committee brought out a lot that was malodorous about employers. This is an area where Congress has to set up rules. We represent the people of the United States. We must see that the public interest prevails over the interests of any other group, whether it be big labor, big business, big military, or big Government.

A REASONABLE COMPROMISE ON THE LABOR-MANAGEMENT REFORM BILL

(Mr. UDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UDALL. Mr. Speaker, I note by the press wires that the politicians have prevailed, and that the President will address the country tomorrow evening on the labor bill. I am informed also that the president of the AFL-CIO, Mr. Meany, will state his point of view on the airwaves tomorrow. In order to have a rounded picture of this issue, it seems to me the middle ground proposal, drafted by the House committee, should also be presented. I think everyone in this room agrees—and everyone in Washington knows—that there is one man in this city who knows full well that all vital legislation is the product of reasonable compromise by reasonable men. This man, too, knows a reasonable compromise when he sees one. I refer, of course, to Speaker RAYBURN, and I am demanding today that the networks grant him equal time to present the case for committee compromise—or to designate someone to speak on his behalf. Let us have all points of view presented to the country before this question reaches the House floor next week.

ADDITIONAL \$600 STATIONERY ALLOWANCE

(Mr. SILER asked and was given permission to address the House for 1 minute.)

Mr. SILER. Mr. Speaker, on July 27, House Resolution 314 was adopted, allow-

ing each Member of the House an additional stationery allowance of \$600, retroactive to January 7, 1959.

Many of us were taken by surprise on this and would not have favored this increased compensation for ourselves if we had known the resolution was coming up.

I am now introducing my own resolution, House Resolution 336, that would allow any Member coming from a surplus labor or depressed economy area, like certain parts of my own district, to direct the Clerk of the House to draw on the extra \$600 allowance of July 27 by vouchers in favor of not more than three county school superintendents of the Member's district so that the entire extra allowance might be used to buy shoes or clothes for indigent schoolchildren in those counties of the Member's district and with no tax to be charged upon the amount of this allowance so used.

This is not a screwball proposal and I am in dead earnest on the subject and in complete sincerity about this entire matter. As soon as we pass my resolution, if I can prevail on you to do so, I will issue a written order directing the Clerk of the House to draw a voucher for \$200 out of my \$600 allowance in favor of the superintendent of schools of Harlan County, Ky., for shoes and clothes for indigent schoolchildren of that particular county and will immediately direct other vouchers for the remaining \$400 to be used in similar manner in other counties.

I was motivated to introduce my resolution by a very recent letter I received from a humble man, probably an unemployed coal miner of Harlan County, as follows:

Dear sir thought wood drop you a few lines concerning the school children in harlan county an in my home dist there will not bee many children that will bee able to go to school for the need of food and clothing So thought wood ask you for help an information how to get these children of the road an in school.

Yours truly

JOHN PATTERSON.

CRANKS, KY.

Mr. Speaker, I cannot imagine Congressmen from depressed areas like mine being indifferent to the serious needs of their children back home. Neither can I imagine Congressmen voting themselves \$600 extra compensation when so many lack so much right here in our own country. I would like to call on all depressed-area Congressmen to introduce resolutions similar to mine, and I would like to request the House Administration Committee to become as interested now in giving favorable consideration to my resolution as that same committee gave to House Resolution 314, allowing Members \$600 additional compensation on July 27.

THE LABOR BILL

(Mr. KILBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KILBURN. Mr. Speaker, I will vote for any strong labor bill. I feel that

the big corporations of this country 60 years ago were running the country for their own benefit. Now the big labor unions are doing the same thing, and I want to curb their power. They have obtained from the hard-working, honest, labor union members an awful lot of money, and they are trying to swing elections with it for their own benefit.

The abuses that have been exposed are perfectly terrible for not only the people of this country, but for the honest, hard-working union member himself.

In talking to the labor leaders up in my section, I think they feel the same way. They are honest, hard-working men trying to improve the lot of their own members. They don't want any racketeering, and they don't like to see their own members milked for political benefit.

Of course, the Democrats are in control of this Congress by nearly 2 to 1, and this is a big problem facing our country. I hope that enough of them will recognize the welfare of our country and put a stop to the racketeers and the unfair practices engaged in by many labor leaders.

It has gotten to the point where the honest, hard-working union member who pays his dues and contributes his money should be protected from the arrogant, power-hungry people at the top.

I will vote for any bill that protects them and the country, but I certainly will vote against any watered-down, slap-on-the-wrist kind of a bill which the Democrats with their power and votes may possibly bring before the House.

ACREAGE HISTORY AND ALLOTMENTS

The SPEAKER. The unfinished business is the question: Will the House suspend the rules and pass the bill (H.R. 7740) to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and reallocation of unused cotton acreage allotments, as amended?

The Clerk read the title of the bill.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill, as amended?

The question was taken; and on a division (demanded by Mr. HAGEN), there were—ayes 53, noes 7.

Mr. HAGEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 90, not voting 36, as follows:

[Roll No. 123]

YEAS—308

Abbutt	Alger	Anfuso
Abernethy	Allen	Ashley
Adair	Andersen	Ashmore
Addonizio	Minn.	Aspinall
Albert	Anderson	Avery
Alexander	Mont.	Ayres
Alford	Andrews	Bailey

Baker	Grant
Barden	Green, Pa.
Barrett	Griffin
Bass, Tenn.	Griffiths
Bates	Gross
Baumhart	Haley
Becker	Hall
Beckworth	Hardy
Belcher	Hargis
Bennett, Fla.	Harmon
Betts	Harris
Blatnik	Harrison
Boggs	Hays
Boiland	Hcaley
Bolling	Hechler
Boiton	Hemphill
Bonner	Henderson
Bow	Herlong
Boykin	Hoeven
Brademas	Hoffman, Ill.
Bray	Hogan
Breeding	Hollifield
Brewster	Holland
Brock	Holtzman
Brooks, La.	Huddleston
Brooks, Tex.	Hull
Brown, Ga.	Ikard
Brown, Mo.	Irwin
Broyhill	Jarman
Budge	Jennings
Burdick	Jensen
Burke, Ky.	Johnson, Colo.
Burke, Mass.	Johnson, Md.
Burleson	Johnson, Wis.
Byrne, Pa.	Jonas
Byrnes, Wls.	Jones, Ala.
Cannon	Jones, Mo.
Carter	Judd
Casey	Karsten
Cederberg	Karth
Celler	Kasem
Chelf	Kastenmeier
Chenoweth	Kearns
Chiperfield	Kee
Clark	Keith
Coad	Kelly
Coffin	Keogh
Cohelan	Kilday
Colmer	Kilgore
Cook	King, Calif.
Cooley	Kitchin
Cramer	Kluczynski
Cunningham	Kowalski
Curtis, Mass.	Laird
Curtis, Mo.	Landrum
Daddario	Lane
Dague	Langen
Daniels	Lankford
Davis, Ga.	Latta
Davis, Tenn.	Lennon
Dawson	Lesinski
Delaney	Levering
Dent	Libonati
Denton	Loser
Diggs	McCormack
Dingell	McDowell
Dixon	McFail
Dollinger	McGinley
Dorn, S.C.	McGovern
Dowdy	McIntire
Downing	McMillan
Doyle	McSweeney
Dulski	Macdonald
Durham	Mack, Ill.
Edmondson	Mack, Wash.
Everett	Madden
Evins	Magnuson
Fallon	Mahon
Fascell	Matthews
Fenton	May
Fisher	Meador
Flood	Metcalfe
Flynn	Meyer
Flynt	Michel
Forand	Miller, Clem
Ford	Mills
Forrester	Mitchell
Frelinghuysen	Montoya
Friedel	Moorhead
Gallagher	Morgan
Garmatz	Morris, N. Mex.
Gary	Morris, Okla.
Gathings	Multer
George	Murphy
Glaimo	Murray
Glenn	Natcher
Granahan	Nelsen

NAYS—90

Baldwin	Bentley	Brown, Ohio
Barr	Berry	Bush
Barry	Bosch	Cahill
Bass, N.H.	Boyle	Chamberlain
Bennett, Mich.	Broomfield	Church

Coiler	Johansen	Pillion
Conte	Johnson, Calif.	Porter
Corbett	Kilburn	Pucinski
Curtin	King, Utah	Quigley
Derounian	Knox	Ray
Derwinski	Lafore	Rhodes, Ariz.
Devine	Lindsay	Rhodes, Pa.
Dooley	Lipscomb	Robison
Dorn, N.Y.	McCulloch	Rostenkowski
Dwyer	McDonough	Saylor
Farbstein	Mailliard	Schenck
Feighan	Marshall	Simpson, Ill.
Fino	Martin	Sisk
Foiey	Morrow	Smith, Calif.
Fulton	Miller	Stratton
Gavin	George P.	Taber
Green, Oreg.	Miller, N.Y.	Teague, Calif.
Gubser	Milliken	Tollefson
Hagen	Minshall	Ullman
Halpern	Moelier	Vank
Hess	Monagan	Van Zandt
Hiestand	Moss	Wilson
Hoffman, Mich.	Mumma	Yates
Holt	Osmers	Younger
Horan	Pelly	
Hosmer	Philbin	

NOT VOTING—36

Arends	Frazier	Passman
Auchincloss	Goodell	Patman
Baring	Gray	Powell
Blitch	Halleck	Rabaut
Bowles	Hébert	Rooney
Buckley	Jackson	Scherer
Canfield	Kirwan	Simpson, Pa.
Carnahan	Machrowicz	Taylor
Donohue	Mason	Thompson, La.
Elliott	Moore	Utt
Fogarty	Morrison	Westland
Fountain	Moulder	Williams

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Frazier and Mr. Williams for, with Mr. Fogarty against.

Mr. Arends and Mrs. Blitch for, with Mr. Jackson against.

Mr. Halleck and Mr. Carnahan for, with Mr. Taylor against.

Mr. Kirwan and Mr. Buckley for, with Mr. Simpson of Pennsylvania against.

Mr. Hébert and Mr. Fountain for, with Mr. Utt against.

Mr. Machrowicz and Mr. Morrison for, with Mr. Scherer against.

Mr. Rooney and Mr. Thompson of Louisiana for, with Mr. Auchincloss against.

Until further notice:

Mr. Baring with Mr. Canfield.

Mr. Powell with Mr. Westland.

Mr. Bowles with Mr. Moore.

Mr. Elliott with Mr. Mason.

Mr. Moulder with Mr. Goodell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. BROOMFIELD. Mr. Speaker, I voted against H.R. 7740 because I am convinced that it will help perpetuate a situation in agriculture which is essentially wrong if this bill is permitted to become law.

What we need is a complete overhauling of our Nation's policies in respect to agriculture, not a patchwork job to try and correct one of many danger points.

We need to take a close look at our entire price support and farm subsidy operation. We need to start reducing our huge piles of surplus stocks which are growing larger by the minute. We need to stop the multibillion-dollar annual outlays of tax money to pay for

subsidies, price supports, and storage of goods which no one seems to want.

Only through elimination of the present program can this be accomplished. To attempt to hang on to an agriculture program simply because it is with us is folly.

We have ignored the fact that our farmers are producing more and more goods on less and less land. We are still tied to acreage restrictions as a means of holding down our surplus stocks. They have not worked, and they cannot work simply because the efficiency of the farmer has increased at least as rapidly in the past two decades as other portions of our economy.

We are dealing with streamlined farmers, with up-to-date methods of producing crops. We are dealing with new seeds, new fertilizers, new and revolutionary farm equipment.

To cope with this problem, we are using antiquated machinery of government which simply cannot by its very nature keep pace with these new developments. We are using restrictions and controls by Federal regulation when freedom should be our goal. We pile restriction on top of restriction when we should be trying to provide our farmers with the right to produce what he wants to the best of his ability.

We have seen valuable Federal projects curtailed because of the huge expenditures we must make just to keep this patchwork system of controls operating. We have seen our national debt increase and our interest payments rise. We have seen the price we must pay for storage and handling of our agriculture commodities alone rise to \$3,500,000 a day with the prospect that the cost will rise to \$4 million a day by 1963.

H.R. 7740 is another way of admitting that our present farm price support program does not work. Yet, instead of looking for a new solution to this problem, we are asked to compound this problem, to put up with another useless appendage on a monster which seems quite capable of spending money, creating surpluses, but nothing else.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk a similar Senate bill, S. 1455, strike out all after the enacting clause of the Senate bill and insert the language of H.R. 7740 as passed.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

"(o) (1) Notwithstanding any other provision of law, the owner or operator of a farm for which a farm acreage allotment for upland cotton of ten acres or less is established under the provisions of this section may rent, as provided in paragraphs

(1) and (2) of this subsection, such allotment, or any portion thereof, to any other owner or operator of a farm in the same county for use in the same county on a farm for which the acreage allotment for upland cotton does not exceed fifty acres. As used in the foregoing sentence, the term "allotment" includes the allotment for the farm as increased by allotments rented under this subsection, but does not include any increase resulting from the election of choice (B) under section 102 of the Agricultural Act of 1949. When the operator of any farm on which a rented allotment is to be used has elected choice (A) or choice (B) with respect to any allotment for any year, that choice shall be applicable to all allotments used on all farms operated by him for such year, without regard to any election made by the operator of the farm from which any such allotment was rented. If the operator of the farm on which a rented allotment is to be used shall not have notified the county committee of his election within the time prescribed for such notification for farms within the county, he shall be deemed to have chosen choice (A).

"(2) Any such rental agreement shall be made on such terms and conditions, except as otherwise provided in this subsection, as the parties thereto agree: *Provided*, That no such agreement shall cover allotments made to any farm for a period in excess of one crop year, renewable each year.

"(3) No rental agreement shall be effective until a copy of such agreement is filed with the county committee of the county in which the acreage allotment is made.

"(4) The rental of any acreage allotment, or portion thereof, shall in no way affect the acreage allotment of the farm from which such acreage allotment, or portion thereof, is rented or the farm to which such acreage allotment, or portion thereof, is rented; and the amount of acreage of the acreage allotment rented shall be considered for purposes of future State, county, and farm acreage allotments to have been planted on the farm from which such acreage allotment was rented in the crop year specified in the lease.

"(5) Any farm acreage allotment, or portion thereof, rented under this subsection shall be multiplied by the per centum which the normal yield of the farm from which the acreage allotment, or portion thereof, is rented is of the normal yield of the farm to which the acreage allotment, or portion thereof, is rented.

"(6) The acreage of crops requiring annual tillage on the farm from which any allotment is rented shall be reduced during the period covered by the rental agreement below the acreage normally devoted to such crops on such farm by an acreage equal to the acreage allotment transferred. The acreage normally devoted to such crops and the amount of the reduction therein required by this paragraph shall be determined by the county committee after taking crop rotation practices and other relevant factors into consideration, and the reduction shall be agreed to in writing by the owner and operator of the farm from which the allotment is rented before the rental agreement may be filed with the county committee. Any producer who knowingly and willfully harvests an acreage of crops requiring annual tillage in excess of that permitted by this paragraph shall be subject to a civil penalty equal to 150 per centum of the rental provided for by the rental agreement filed with the county committee. Such penalty shall be recoverable in a civil suit brought in the name of the United States.

"(7) This subsection shall apply to the crop years of 1959, 1960, and 1961 only.

"(8) The Secretary shall issue such regulations as are necessary to carry out the provisions of this subsection."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Strike out all after the enacting clause of S. 1455 and insert the provisions of H.R. 7740 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. COOLEY (by unanimous consent), the title was amended so as to read: "A bill to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and reallocation of unused cotton acreage allotments, as amended."

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

REPORT OF COMMISSION OF FINE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on House Administration:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period July 1, 1948, to June 30, 1954.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, August 5, 1959.

LEGISLATIVE PROGRAM—ADJOURNMENT OVER

(Mr. HOEVEN asked and was given permission to address the House for 1 minute.)

Mr. HOEVEN. Mr. Speaker, I have asked for this time in order to inquire of the distinguished majority leader as to the program for the remainder of this week and next week.

Mr. McCORMACK. There is no further program for this week. The House will meet tomorrow in order to adjourn over until Monday. Mr. Speaker, if the gentleman will yield for that purpose, I ask unanimous consent that when the House adjourns tomorrow, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I understand there may be a conference report on the atomic energy bill. The conferees have until midnight tonight to file a report, and in that event it may be brought up tomorrow.

The program for next week is as follows:

Monday is District Day. I understand there are six or seven bills to be reported out of the Committee on the District of Columbia, and they will be announced

tomorrow, or in any event they will be in the RECORD and in the whip notice to the Members.

On Monday the military construction appropriation bill for 1960 will be considered.

If a rule is reported out on management labor legislation, that bill will come up Tuesday next. That is the bill H.R. 8342. I think there is a strong probability that the rule will be reported out so that the bill will be in order, in which event consideration of the bill will start on Tuesday and continue on through until it is disposed of.

On Tuesday, the Private Calendar will be called. Of course, the Private Calendar will be called before the rule on the labor bill is called up.

Of course, the usual reservation is made that any further program will be announced later, and that conference reports can be called up at any time.

Mr. HOEVEN. I thank the gentleman.

REREFERENCE OF H.R. 8347

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (H.R. 8347) to provide for the reinstatement and validation of the United States oil and gas lease BLM 028500, and that the bill be referred to the Committee on Interior and Insular Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REREFERENCE OF H.R. 6860

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of the bill (H.R. 6860) to amend section 5(B)4 of the Federal Alcoholic Administration Act, title 27, United States Code, section 205(b) (4), and that the bill be rereferred to the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SOUTH DAKOTA NEEDS DROUGHT ASSISTANCE

(Mr. McGOVERN asked and was given permission to extend his remarks in the body of the RECORD and to include extraneous matter.)

Mr. McGOVERN. Mr. Speaker, large sections of the State of South Dakota

are gripped by severe drought conditions. A developing feed shortage poses a direct threat to farmers who may be forced to dispose of their herds unless assistance is forthcoming.

Gov. Ralph Herseth and the State disaster committee have requested that parts of the State be designated a disaster area so that Federal assistance may be available. We are now awaiting agreement by the Secretary of Agriculture, Mr. Benson, that South Dakota needs assistance.

I have urged the Secretary to make available at reduced prices surplus Government-held grain that is bulging from CCC bins and local storage facilities in the drought area. If the ever-normal granary program has any validity, this is certainly a clear-cut instance of where it should be fully used. It does not make sense to deny hard-pressed farmers feed stock that are now deteriorating in bins at the public's expense.

The Mitchell Daily Republic has stated the case for drought assistance very well in an editorial of September 30, 1959, which I include at this point in the RECORD:

CCC CORN CAN HELP MEET DROUGHT CRISIS

For the third time in less than 2 months Gov. Ralph Herseth has appealed to Washington to have parts of South Dakota declared a drought disaster area.

The first application, made after it became obvious that hay and grass crops would be the poorest in years, was rejected. The second was made after a big share of the small grain crops became almost total losses. This time the verdict was that the Department wasn't quite ready to act.

Now, with our corn prospects shrivelling with each hot, dry day he again has asked for relief. It should be granted and granted immediately on this State's economy may suffer a blow that will take years to regain.

The loss of a grain harvest, although a severe blow any year, need not be a long range catastrophe. There's always another year and though debts may be piled up in the drought year they can be repaid in the immediate future.

The greatest threat to the economy is loss of livestock herds and if our farmers are forced to strip their stock holdings to the capacity of this year's harvest it will be many years before this segment of the wealth of the State can be brought back to present levels.

Few farmers want out-and-out grants from the Federal Government. Even fewer need such grants for most have the credit to carry their animals if the Government will make concessions on CCC stored grain held right here in the State.

An astute friend of ours—and a man who probably has sufficient feed and roughage to carry his stock for at least another year—suggested that this CCC grain could be made available on a basis of the current cash price here in South Dakota less freight to Minneapolis or Sioux City.

A look at the market page this morning shows that the current cash price No. 2 corn in Mitchell is approximately \$1.14. The freight between Mitchell and Minneapolis on a bushel of corn is approximately 18 cents and if our friend's formula were applied that would mean that under disaster provisions corn could be purchased on a need basis at 97 cents from the CCC bins.

Corn at this price would permit holding livestock and particularly the basic herds. In addition, some of the CCC commercial storage could be emptied at a savings to the Government of approximately 16 cents per bushel per year storage costs.

Such a program should have its safeguards. Need for the grain at this disaster price would have to be proved and individual sales be limited to immediate demand to prevent profiteering.

To us the proposal seems just and simple—probably too simple for Washington to accept even though it could save an economy from a long-range blow.

LABOR LEGISLATION

The SPEAKER. Under previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 60 minutes.

(Mr. RHODES of Arizona asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. RHODES of Arizona. Mr. Speaker, if the schedule set forth is carried out next week, the House will be called upon to vote on a labor reform bill. It has been many weeks, Mr. Speaker, since first the proposition of a labor reform bill was considered. Many hearings have been held on the subject. On the other side of the Capitol, there was a special committee holding hearings on racketeering aspects of union operations and racketeering aspects of the relationship between labor and management and the manner in which the general public and the United States was being injured by improper practices in organized labor. As a result the other body has reported out and has passed a so-called labor reform bill. This bill does not have many of the features in it which many of us feel it should have; it does not have many of the features in it which are indicated as a result of the hearings of the McClellan committee. However, the bill was passed by the other body with but one dissenting vote and was sent to the House of Representatives and referred to the Committee on Education and Labor.

After voluminous hearings, the Committee on Education and Labor has reported out a bill introduced by the very able gentleman from Alabama [Mr. ELLIOTT].

Two equally able members of that great committee have also introduced a bill, they being the gentleman from Georgia [Mr. LANDRUM] and the gentleman from Michigan [Mr. GRIFFIN]. When the subject is brought up before the House next week, Mr. Speaker, the Griffin-Landrum bill will be offered as a substitute for the Elliott bill.

It is my purpose today to try to discuss some of the needs for labor legislation and some of the features in these two bills in order that perhaps with the participation of other Members here present it will be possible for us to shed a little more light on a subject which certainly has received the glaring light of publicity for the past several months.

It was my privilege to be a member of the Committee on Education and Labor for the first 6 years of my congressional career. I want to pay tribute to the chairman of the committee, the gentleman from North Carolina [Mr. BARDEN], and to the gentleman from Pennsylvania [Mr. KEARNS], ranking minority member, and to all of the hard-working members of that fine body who have done so much

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued August 7, 1959
For actions of August 6, 1959
86th-1st, No. 133

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HIGHLIGHTS: Senate agreed to House amendments to bills to: Preserve acreage allotment histories and transfer cotton allotments; extend special milk program. Senate confirmed nomination of Frederick Mueller to be Secretary of Commerce. Sen. Humphrey introduced and discussed farm bill. Sen. Williams, N. J., and others introduced and discussed bill to require registration of crew leaders in farm labor.

HOUSE

1. WATERSHEDS. The Agriculture Committee approved the following watershed work plans: Boggs Creek, Ind.; Gilbert Run, Md.; Marsh Run, Ohio; Martinez Creek, Texas. p. 13981
2. MONOPOLIES. Received from the Justice Department a proposed bill "to amend Section 8 of the Clayton Act relating to interlocking directorates"; to Judiciary Committee. p. 13994
3. ATOMIC ENERGY APPROPRIATION BILL FOR 1960. Both Houses agreed to the conference report on this bill, H. R. 3283 (pp. 13982-4, 13923-20). (See Digest 132 for a list of items of interest to this Department.) This bill will now be sent to the President.

4. TRANSPORTATION. The Merchant Marine and Fisheries Committee reported with amendment H. R. 5068, to amend the Shipping Act of 1916 to provide for licensing independent freight forwarders (H. Rept. 798). p. 13994
5. PERSONNEL. The Post Office and Civil Service Committee voted to report (but did not actually report) H. R. 8241, to amend the Civil Service Retirement Act to set terms, conditions, and computation of annuities for retired Members of Congress, who are reemployed by the Federal Government. p. D725
The Post Office and Civil Service Committee announced the appointment of subcommittees for consideration of the following bills: S. 1845 and H. R. 8479, to increase the salaries of Administrative Assistant Secretaries (including this Department) to \$19,000 per annum, and to authorize the Secretary of Commerce to fix the annual rates of basic compensation of certain officers in the Patent Office; H. R. 8542, 8543, to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail; and S. 1495, to consolidate and revise the laws relating to the employment of aliens in the several States and D. C. p. D725
6. COOPERATIVES. The "Daily Digest" states that the Ways and Means Committee considered a Treasury proposal to provide that cooperatives would be required either to pay dividends in cash or by qualified notes, in which case the notes would be redeemable in 3 years and would bear 4% interest, and that hearings are planned on this proposal in January 1960. p. D726
7. SCIENCE; RESEARCH. The "Daily Digest" states that the Science and Astronautics Committee tabled H. R. 7981, to provide for an immediate study of the need for the proper composition of, and the most efficient means of obtaining a continuous up-to-date national record of scientific and technical personnel throughout the United States. p. D725-6
8. ADJOURNED until Mon., Aug. 10. p. 13994

SENATE

9. ACREAGE ALLOTMENTS; COTTON. Concurred in the House amendments to S. 1455, to provide for the automatic preservation of farm acreage allotments and for the transfer of cotton acreage allotments. As agreed to the bill provided that, beginning with the 1960 crop, the entire current farm allotment shall be regarded as planted if during the current year or either one of the 2 preceding years the acreage actually planted or devoted to the commodity on the farm (or regarded as planted because of participation in the soil bank) was 75 percent or more of the farm allotment; authorizes the transfer of unused cotton acreage allotments to other farms, first within each county, and then within the State; and exempts from the provisions of the bill acreage allotments on federally owned land. This bill will now be sent to the President. pp. 13948-50
10. MILK. Concurred in the House amendment to S. 1289, to increase by \$6 million (to \$81,000,000), for the fiscal year 1960 and by \$9 million (to \$84,000,000) for the fiscal year 1961 the maximum amount of CCC funds which may be used for the special milk program. This bill will now be sent to the President. pp. 13960-1
11. FARM CREDIT. Concurred in the House amendment to S. 1512, to amend the Federal Farm Loan Act so as to transfer responsibility for making appraisals from FCA to the Federal land banks. This bill will now be sent to the President. pp. 13920-8, 13947-8

Mr. KERR. Mr. President, I must not let this opportunity pass, after the nice things which have been said about me by distinguished Members of this body, without publicly acknowledging the deep personal gratitude I feel to the many Senators who participated in the development of the legislation for the Tennessee Valley Authority. I must place high on that list the distinguished Senator from South Dakota [Mr. CASE], who was a sponsor with me of the original bill, and who is the original author, with whom I am a cosponsor, of S. 2471.

The Senator from South Dakota very kindly said that without my efforts the bill would not have come to fruition. Mr. President, without the efforts of the Senator from South Dakota the bill never would have survived the many rugged experiences of the legislative hammering and compromise to which it was subjected.

The friends of the TVA in the valley were tremendously cooperative. The members of the committee on both sides, Democrats and Republicans alike, could be named individually. I would name one or two, but I must not do so because there are so many who worked hard and time does not permit the naming of all of them. All gave of their time, effort, and sincere devotion to the development of the legislation which has now been signed by the President, the last main objection to which will be removed when the House passes S. 2471.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time, with the understanding that the minority leader will do likewise.

Mr. DIRKSEN. Mr. President, I yield back the time remaining to me.

The PRESIDING OFFICER. All time has been yielded back.

The question is on the engrossment and third reading of the bill.

The bill (S. 2471) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15d (a) of H.R. 3460, an Act to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, as passed by the House of Representatives on May 7, 1959, and the United States Senate on July 9, 1959, is hereby amended by deleting therefrom the following:

"Provided, That, with the budget estimates transmitted by the President to the Congress, the President shall transmit the power construction program of the Corporation as presented to him and recommended by the Corporation, together with any recommendation he may deem appropriate.

"Neither bond proceeds nor power revenues received by the Corporation shall be used to initiate the construction of new power producing projects (except for replacement purposes and except the first such project begun after the effective date of this section) until the construction program of the Corporation shall have been before Congress in session for ninety calendar days. In the absence of any modifying action by a concurrent resolution of the Congress within the ninety days, such projects will be deemed to have congressional approval."

Mr. HILL subsequently said: Mr. President, I ask unanimous consent to

have printed in the body of the RECORD immediately following the debate on Senate bill 2471, amending the Tennessee Valley Authority Act of 1933, as amended, excerpts from the report of the Senate Committee on Public Works. I call particular attention to the following language in the report of the committee:

It is the understanding of the committee that the proposed deletion of the language from H.R. 3460 will have no effect on the procedure of operation by the TVA; that revenue bond proceeds will be used under the same procedures as current revenues are now used; that such deletion does not alter the relationship between the TVA and the Bureau of the Budget as otherwise established by H.R. 3460; and will have no effect or deterrence on the issuance of bonds or on the remaining provisions of H.R. 3460.

I ask unanimous consent that extracts from the report may appear in the body of the RECORD.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of S. 2471 is to delete certain language from H.R. 3460, an act to authorize the Tennessee Valley Authority to issue and sell revenue bonds to assist in financing needed additions to its power system; to provide for payments to the Treasury; to establish a geographic limitation on the area within which TVA power can be distributed; and including necessary administrative provisions in connection with the proposed bond issues. The language that would be deleted from the act is the proviso relating to the transmission of the power construction program of the Corporation to the Congress by the President with the budget estimates and with any recommendation he deems appropriate; the withholding of initiation of construction of new power-producing projects until the construction program of the Corporation has been before Congress in session for 90 calendar days; and the considered congressional approval of such projects in the absence of modifying action by concurrent resolution of Congress within the 90 days.

GENERAL STATEMENT

The provisions of H.R. 3460, as amended by the Committee on Public Works, are fully set forth in Senate Report 470, 86th Congress, 1st session, with a discussion of such provisions. The matter of revenue bond financing by the TVA has been under consideration by the committee for the past 5 years. The committee made an earnest endeavor to provide the Board of Directors of the Tennessee Valley Authority with a means to assist them in financing additions to power facilities required to meet the anticipated needs of the area, to make the Corporation self-supporting and self-financing, and, at the same time, preserving sufficient flexibility to permit them to conduct the power operations of the Corporation on a businesslike basis, unhampered by restrictions that would affect the marketability of the revenue bonds, or cause undue delay in their issuance or the prompt construction of power-producing projects. The act also included provisions for review of the power construction program of the Corporation by the President, transmission of the program to the Congress with his recommendations, consideration of the program by the Congress, and provision for modification by concurrent resolution if deemed advisable.

The President has indicated his reluctance to approve H.R. 3460 in its present form, objecting to language included in the act by the Senate which permits modification of the TVA power program by concurrent resolution. He considers this method of legis-

lation as usurping the powers of the executive branch, since such legislation would not be subject to his approval.

S. 2471 would meet the objections of the President by deleting from H.R. 3460 the following:

"Provided, That, with the budget estimates transmitted by the President to the Congress, the President shall transmit the power construction program of the Corporation as presented to him and recommended by the Corporation, together with any recommendation he may deem appropriate.

"Neither bond proceeds nor power revenues received by the Corporation shall be used to initiate the construction of new power-producing projects (except for replacement purposes and except the first such project begun after the effective date of this section) until the construction program of the Corporation shall have been before Congress in session for ninety calendar days. In the absence of any modifying action by a concurrent resolution of the Congress within the ninety days, such projects will be deemed to have congressional approval."

RECOMMENDATIONS

The committee believes that this bill removes certain restrictions from H.R. 3460, and also removes from that act provisions for congressional scrutiny and approval of the power construction program of TVA which the President himself did not have, thus maintaining the constitutional concept of power among the branches of the Government. It is the understanding of the committee that the proposed deletion of the language from H.R. 3460 will have no effect on the procedure of operation by the TVA; that revenue bond proceeds will be used under the same procedures as current revenues are now used; that such deletion does not alter the relationship between the TVA and the Bureau of the Budget as otherwise established by H.R. 3460; and will have no effect or deterrence on the issuance of bonds or on the remaining provisions of H.R. 3460. The committee further believes that H.R. 3460 is financially advantageous to the Federal Government; that it is essential to the future operations of the TVA; that deletion of the proposed language from the act preserves the separation of powers between the executive and legislative branches; and recommends enactment of S. 2471.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF FEDERAL FARM LOAN ACT, RELATING TO TRANSFER OF RESPONSIBILITY FOR MAKING APPRAISALS

The Senate resumed the consideration of the motion of Mr. HOLLAND that the Senate concur in the amendment of the House in the nature of a substitute for S. 1512.

Mr. HOLLAND. Mr. President, I ask that the Senate take action upon my motion with regard to the House amendment to S. 1512, which is pending at the desk.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida that the Senate concur in the amendment of the House in the nature of a substitute for S. 1512. [Putting the question.]

Mr. DIRKSEN. Mr. President, Mr. President—

The PRESIDING OFFICER. The "ayes" have it, and the motion is agreed to.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. The Senator from Illinois was on his feet requesting recognition when the vote was taken.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I wanted to observe that action on the House amendment to the conference report was held up for a time at my request. I had in mind checking with the Bureau of the Budget and also with the Civil Service Commission. I find in one case the bill was supported, and in the other case it was opposed because of the retirement provision.

I still believe that the kind of retirement provision provided for is faulty and bad. If we can apply this procedure to 1,500 or 1,600 persons who are on a private payroll—if they can be insinuated into or kept in the retirement system of the Federal Government—we can do it with regard to 100,000 persons. I am afraid the proposed action would establish a bad precedent. However, I am not insensible to the difficulties which confronted the committee in this matter, because it is very desirable to dispose of these institutions and to put them into private hands.

The question is how to do it without too much injustice to the personnel involved. It is one of those questions which requires the wisdom of a Solomon; but I have an idea that the case will rise up to haunt us.

Under the circumstances, the Budget Bureau having in the first instance approved, and the Civil Service Commission having opposed, I am left rather betwixt and between. Someday we shall have to come to grips with the residual question which will not have been solved by concurrence in the House amendment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I appreciate the statement of the Senator from Illinois. The delay in the proceedings was due to his request—which I was glad to grant—for time to confer with the Civil Service Commission. I want him to know that every Senator advocating the acceptance of the House amendment, and every Senator supporting the bill, has made it quite clear that this case is not considered as a precedent, for many reasons, but particularly because the Federal Government will have a continuing interest in and connection with each of these institutions. The fact of owing money to the Federal Government in the case of most of them will exist after the retirement date of the present employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida [Mr. HOLLAND]

that the Senate concur in the House amendment in the nature of a substitute for Senate bill 1512.

The motion was agreed to.

THE PROPOSED CONSTITUTIONAL AMENDMENT TO REPEAL POLL TAX

Mr. JOHNSON of Texas. Mr. President, I should like to ask the Senator from Florida [Mr. HOLLAND] a question.

As I understand, the Judiciary Committee has held hearings twice on the so-called constitutional amendment repealing the poll tax, and the hearings have been printed.

Mr. HOLLAND. The subcommittee of the Judiciary Committee headed by the late Senator Miller, of Idaho, later by the Senator from North Dakota [Mr. LANGER], and still later by the Senator from Tennessee [Mr. KEFAUVER], conducted hearings. Two of the hearings have been printed, and are available in the form of documents at this time.

The distinguished Senator from Tennessee [Mr. KEFAUVER] is present in the Chamber. He is one of the cosponsors of the resolution. I am sure he will recall having conducted hearings on this proposal.

Mr. KEFAUVER. Mr. President, the Senator is correct. There was a substantial hearing upon an identical resolution providing for a constitutional amendment.

Mr. HOLLAND. The resolution is identical.

Mr. KEFAUVER. Hearings were held in the last Congress, and perhaps in the Congress before that.

Mr. JOHNSON of Texas. As I understand, the hearings during the last session were printed.

Mr. KEFAUVER. My impression is that they were.

Mr. HOLLAND. They have been printed twice.

Mr. KEFAUVER. Mr. President, at the present time I am chairman of the Constitutional Amendments Subcommittee of the Committee on the Judiciary. If action is desired upon the resolution in this Congress, we can expedite further hearings and will do so if the chief sponsor of the amendment wishes that to be done.

Mr. JOHNSTON of South Carolina. Mr. President, I think that would be a matter for consideration and decision by the chairman of the Judiciary Committee, and not the chairman of the subcommittee.

Mr. JOHNSON of Texas. We are not asking for a decision of any kind. We are asking for information. The Senator from Florida stated to me in private conversation that hearings were held in the last Congress.

Mr. JOHNSTON of South Carolina. I think it would be a matter for the chairman of the Judiciary Committee.

Mr. JOHNSON of Texas. Certainly, the resolution would be referred to the Judiciary Committee; and I hope the committee will give it consideration at an early date.

Mr. KEFAUVER. Mr. President, I have no desire to interfere with the prerogatives of the chairman of the committee. I stated that, as chairman of the subcommittee, so far as I am concerned, I will do everything possible to expedite hearings on the resolution, if the members of the committee and the chief sponsor of the resolution wish that that be done.

Mr. HOLLAND. Mr. President, it is not my purpose at all to try to deprive the Committee on the Judiciary or its chairman, or any of its members, of any of their powers or prerogatives. I am too proud and happy over the assiduous attention which the committee has given to certain legislation ever to try to do so.

Mr. DIRKSEN. Mr. President, I have only one thing to add to the discussion of the proposal for the constitutional repeal of the poll tax provision as it applies to the election of Federal officers.

On three occasions I was a Member of the House when we undertook, by legislation, to effectuate this result, but the action was never consummated.

I recall many discussions with the late distinguished Senator Taft, of Ohio. It was always his contention that it had to be done by a constitutional amendment. I am confident that this resolution will receive appropriate and expeditious attention.

Mr. KEATING. Mr. President, I should like to add to what the distinguished majority leader has said that it is my personal opinion as a lawyer that the Federal Government could accomplish the desired result by a law, rather than by constitutional amendment. But certainly we should get on with the task.

I have been very happy to cosponsor the joint resolution, and I shall do everything in my power to urge that early hearings be held, and that the proposed constitutional amendment be reported from the committee at this session of the Congress.

RENTAL OF COTTON ACREAGE ALLOTMENTS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1455) to authorize the rental of cotton acreage allotments, which were, to strike out all after the enacting clause and insert:

That section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"Sec. 377. In any case in which, during any year beginning with 1956, the acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm and any allotment provided for the farm pursuant to subsection (f) (7) (A) of section 344) shall, except as provided herein, be considered for the purpose of establishing future State, county and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator on such farm notified the county committee prior to the sixtieth

day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment: *Provided*, That beginning with the 1960 crop, except for federally owned land, the current farm acreage allotment established for a commodity shall not be preserved as history acreage pursuant to the provisions of this section unless for the current year or either of the two preceding years an acreage equal to 75 per centum or more of the farm acreage allotment for such year was actually planted or devoted to the commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program): *Provided further*, That this section shall not be applicable in any case, within the period 1956 to 1959, in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments."

SEC. 2. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (f) is amended by changing paragraph (8) thereof to read as follows:

"(8) Notwithstanding the foregoing provisions of paragraphs (2) and (6) of this subsection, the Secretary shall, if allotments were in effect the preceding year, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportionment is made, adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes: *Provided*, That, beginning with allotments established for the 1961 crop of cotton, if the acreage actually planted (or regarded as planted under the Soil Bank Act, the Great Plains program, and the release and reapportionment provisions of subsection (m)(2) of this section) to cotton on the farm in the preceding year was less than 75 per centum of the farm allotment for such year, in lieu of using such allotment as the farm base as provided in this paragraph, the base shall be the average of (1) the cotton acreage for the farm for the preceding year as determined for purposes of this proviso and (2) the allotment established for the farm pursuant to the provisions of this subsection (f) for such preceding year; and the 1958 allotment used for establishing the minimum farm allotment under paragraph (1) of this subsection (f) shall be adjusted to the average acreage so determined. The base for a farm shall not be adjusted as provided in this paragraph if the county committee determines that failure to plant at least 75 per centum of the farm allotment was due to conditions beyond the control of producers on the farm. The Secretary shall establish limitations to prevent allocations of allotment to farms not affected by the foregoing proviso, which would be excessive on the basis of the cropland, past cotton acreage, allotments for other commodities, and good soil conservation practices on such farms."

(2) Paragraph (3) of subsection (g) is hereby repealed.

(3) Subsection (i) is amended by adding the following at the end thereof: "Notwithstanding any other provision of this Act, beginning with the 1960 crop the planting of

cotton on a farm in any of the immediately preceding three years that allotments were in effect but no allotment was established for such farm for any year of such three-year period shall not make the farm eligible for an allotment as an old farm under subsection (f) of this section: *Provided, however*, That by reason of such planting the farm need not be considered as ineligible for a new farm allotment under subsection (f)(3) of this section."

(4) Paragraph (2) of subsection (m) is changed to read as follows:

"(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section. Any allotment released under this provision shall be regarded for the purposes of establishing future allotments as having been planted on the farm and in the county where the release was made rather than on the farm and in the county to which the allotment was transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage released under this paragraph shall be credited to the State in determining future allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act (7 U.S.C. 1344(m)).", and to amend the title so as to read: "An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments."

Mr. JORDAN. Mr. President, S. 1455 deals with the acreage history and allotments for crops in the operation of production adjustment programs.

All crops subject to acreage allotments are affected by the first section of the bill which provides that, beginning with the 1960 crop, the entire current farm allotment shall be regarded as planted if during the current year, or either 1 of the 2 preceding years, the acreage actually planted or devoted to the commodity on the farm—or regarded as planted because of participation in the soil bank—was 75 percent or more of the farm allotment. Acreage history credited to the farm under this provision also would be credited to the State and county.

The automatic preservation of history for allotment purposes expires with the 1959 crops. Unless S. 1455 or some other legislation is enacted, producers of allotted crops beginning with the 1960 crops must plant each year in order to maintain the acreage history for their farms,

county, and State. Thus, if no action is taken, the result would be an increased production of crops already in surplus.

Other sections of the bill relate specifically to the orderly transfer of unused cotton acreage allotments.

The purpose is to require that a farmer holding a cotton acreage allotment plant it, voluntarily release it to retain the acreage history on his farm, or gradually forfeit it to other farmers who want to use it.

The unused cotton allotments would be transferred to other farms, first, within each county, and then within the State. Allotted acreage not used within the State would become available for distribution in other States.

The original version of S. 1455 provided for the transfer of county acreage allotments within county lines through leasing agreements reached between individual farmers.

As a result of strong objections by the Department of Agriculture, a new approach was written into the present version of S. 1455.

Extensive hearings have been held by both the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry on the problem of transferring unused acreage allotments.

The bill before us today meets with the approval of the Department of Agriculture and with a vast majority of the cotton producers of the United States. These amendments are recommended by the chairman of the Committee on Agriculture and Forestry. I handled the bill.

I move that the Senate concur in the House amendments to S. 1455.

Mr. STENNIS. Mr. President, S. 1455, as amended by the House, provides a sound approach for protecting acreage history for all allotted crops. This legislation is critically needed to protect allotted acreage at the State, county, and farm levels. It is one of the most important farm bills that has come before the Congress during this session and offers a permanent solution to our acreage history problem.

This bill is, in effect, a modified version of S. 62, which I introduced in January of this year, and carries out the primary objectives which I emphasized in a Senate speech on July 15.

Under the provisions of this bill, every farmer with an allotment is given a chance to fully protect his acreage history by planting 75 percent of his allotment, or by planting a measurable amount of his allotment in any 1 of 3 years and releasing the balance to the county committee for reapportionment to other farms.

The county allotment is fully protected when 75 percent of the farm allotment is planted every third year. This bill provides desirable flexibility of acreage allotments between farms and at the same time establishes necessary safeguards for those who want to protect their acreage history permanently. In past years many inequities have resulted in acreage shifts at the farm and county level, and as a result many farmers have hesitated to release their allotments to the county committee for fear

of losing their acreage history credit.

For the past several years the allowable planted acreage for basic crops has been reduced to an uneconomical level. In the case of cotton, I see no real hope in the next few years for increasing the national allotment materially above the minimum 16 million acres. This will have a serious impact on local farm economy and we must get every available acre into the hands of farmers who will plant the full amount. Only in this way can the acreage allocated to the county be protected.

It is essential that we retain a formula to encourage the planting of maximum county acreage while we provide safeguards for individual farm allotments.

Since 1957 we have been operating under a temporary formula which automatically protects allotted acreage regardless of whether acreage is planted. This provision will expire at the end of 1959; and if this bill, S. 1455, is not adopted, procedures for preserving history will revert back to a formula which will be detrimental to county acreage history. Under the old formula each individual farm allotment can be fairly well protected, but at the expense of county acreage. Even by fulfilling complicated requirements, valuable acreage will be lost at the county and State levels. Farmers must be encouraged to release unplanted allotments to the county committee. This is especially true when acreage is critically needed on other farms for efficient production, thereby making a greater contribution to the local economy.

In 1958 almost one-half of all cotton farmers in the United States did not plant cotton. More than 95 percent of these farmers were small farmers with allotments of 15 acres or less. It is here that S. 1455 will make its greatest contribution in protecting acreage history in such a way as to benefit the individual county's rights to retain their historical share of allotted cotton acreage.

While I strongly feel that my bill, S. 62, would fully protect history in future years, I fully support the amendment adopted by the House and hope that this bill will receive the full support of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina [Mr. JORDAN].

The motion was agreed to.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports were submitted:

By Mr. ANDERSON, from the Joint Committee on Atomic Energy:

John H. Williams, of Minnesota, to be a member of the Atomic Energy Commission.

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with reservations and declarations:

Executive G, 86th Congress, 1st session, Telegraph Regulations (Geneva Revision, 1959) with final protocol to those regulations, signed for the United States at Geneva on November 29, 1958; Executive Report No. 9.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

U.S. ATTORNEYS

The legislative clerk proceeded to read sundry nominations of U.S. attorneys.

Mr. JOHNSON of Texas. Mr. President, I ask that the nomination of U.S. attorneys be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

U.S. MARSHAL

The legislative clerk read the nomination of M. Frank Reid to be a U.S. marshal for the western district of South Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ADVISORY BOARD OF THE ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The legislative clerk read the nomination of Frank A. Augsburg, Jr., to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

CALIFORNIA DEBRIS COMMISSION

The legislative clerk read the nomination of Col. Howard A. Morris, Corps of Engineers, to be a member and secretary of the California Debris Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF COMMERCE— NOMINATION PASSED OVER

Mr. JOHNSON of Texas. Mr. President, I ask that the nomination in the Department of Commerce be passed over temporarily.

The PRESIDING OFFICER. The nomination will be passed over.

U.S. COAST GUARD

The legislative clerk read sundry nominations in the U.S. Coast Guard.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations in the U.S. Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard are confirmed en bloc.

SECRETARY OF COMMERCE

Mr. JOHNSON of Texas. Mr. President, I had asked that the nomination of Frederick Henry Mueller, to be Secretary of Commerce, be passed over until the distinguished senior Senator from Washington could come to the floor. I now yield to the Senator from Washington.

The PRESIDING OFFICER. The nomination in the Department of Commerce will be stated.

The legislative clerk read the nomination of Frederick Henry Mueller, of Michigan, to be Secretary of Commerce.

Mr. MAGNUSON. Mr. President, Mr. Mueller appeared before the Committee on Interstate and Foreign Commerce on Wednesday and testified at some length. Immediately after his testimony and the many questions asked by members of the committee with respect to the policies of the Department of Commerce, the committee unanimously approved Mr. Mueller's nomination.

Normally, the nomination would lie over one legislative day, but there is some doubt in the Department of Commerce whether certain papers which must be signed this weekend can be signed by Mr. Mueller in his capacity as Secretary without the confirmation of his nomination following his appointment by the President. So this doubt has necessitated our acting on the nomination now.

Mr. Mueller was before the committee approximately 5 weeks ago when the committee was considering his nomination to be Under Secretary of Commerce. At that time, also, the committee questioned him at great length on many matters involving the policy of the Department of Commerce and the relations of the Department with Congress. At that time, Mr. Mueller's nomination to be Under Secretary of Commerce was unanimously confirmed. The committee felt that there was not much difference with respect to the ability of Mr. Mueller to handle either the position of Under Secretary of Commerce or Secretary of Commerce. He made a very favorable impression upon the committee on both occasions.

Mr. Mueller has been connected with the Department of Commerce for some time. He served with distinction in various capacities as an Assistant Secretary. He knows well the work of the Department, and he has cooperated to the fullest with Congress. He has worked hard for many projects in which Congress has thought the Department of Commerce should participate.

Mr. Mueller has a wide background of business experience. In fact, he is one of the few so-called small businessmen who have been able to take time out to serve in a top governmental capacity. I think that as Secretary of Commerce he will render outstanding service, as he has done in the other branches of the Department. I hope the Senate will unanimously confirm his nomination, as did the Committee on Interstate and Foreign Commerce in voting to report it.

Both Senators from Michigan sent letters to the committee in commenda-

Public Law 86-172
86th Congress, S. 1455
August 18, 1959

AN ACT

73 STAT. 393.

To amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 377. In any case in which, during any year beginning with 1956, the acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm and any allotment provided for the farm pursuant to subsection (f)(7)(A) of section 344) shall, except as provided herein, be considered for the purpose of establishing future State, county and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator on such farm notified the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment: *Provided*, That beginning with the 1960 crop, except for federally owned land, the current farm acreage allotment established for a commodity shall not be preserved as history acreage pursuant to the provisions of this section unless for the current year or either of the two preceding years an acreage equal to 75 per centum or more of the farm acreage allotment for such year was actually planted or devoted to the commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program): *Provided further*, That this section shall not be applicable in any case, within the period 1956 to 1959, in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments."

SEC. 2. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (f) is amended by changing paragraph (8) thereof to read as follows:

"(8) Notwithstanding the foregoing provisions of paragraphs (2) and (6) of this subsection, the Secretary shall, if allotments were in effect the preceding year, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceding the year for which such apportionment is made,

Cotton.
Acreage al-
lotment.
70 Stat. 206.
7 USC 1377.

72 Stat. 996.
7 USC 1344.

70 Stat. 188.
7 USC 1801
note.

7 USC 1344.

73 STAT. 393.
73 STAT. 394.
70 Stat. 188.
7 USC 1801
note.

adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes: *Provided*, That, beginning with allotments established for the 1961 crop of cotton, if the acreage actually planted (or regarded as planted under the Soil Bank Act, the Great Plains program, and the release and reapportionment provisions of subsection (m)(2) of this section) to cotton on the farm in the preceding year was less than 75 per centum of the farm allotment for such year, in lieu of using such allotment as the farm base as provided in this paragraph, the base shall be the average of (1) the cotton acreage for the farm for the preceding year as determined for purposes of this proviso and (2) the allotment established for the farm pursuant to the provisions of this subsection (f) for such preceding year; and the 1958 allotment used for establishing the minimum farm allotment under paragraph (1) of this subsection (f) shall be adjusted to the average acreage so determined. The base for a farm shall not be adjusted as provided in this paragraph if the county committee determines that failure to plant at least 75 per centum of the farm allotment was due to conditions beyond the control of producers on the farm. The Secretary shall establish limitations to prevent allocations of allotment to farms not affected by the foregoing proviso, which would be excessive on the basis of the cropland, past cotton acreage, allotments for other commodities, and good soil conservation practices on such farms."

Repeal.

(2) Paragraph (3) of subsection (g) is hereby repealed.
(3) Subsection (i) is amended by adding the following at the end thereof: "Notwithstanding any other provision of this Act, beginning with the 1960 crop the planting of cotton on a farm in any of the immediately preceding three years that allotments were in effect but no allotment was established for such farm for any year of such three-year period shall not make the farm eligible for an allotment as an old farm under subsection (f) of this section: *Provided, however*, That by reason of such planting the farm need not be considered as ineligible for a new farm allotment under subsection (f)(3) of this section."

Allotment
release.

(4) Paragraph (2) of subsection (m) is changed to read as follows:
"(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section. Any allotment released under this provision shall be regarded for the purposes of establishing future allotments as having been planted on the farm and in the county where the release was made rather than on the farm and in the county to which the allotment was transferred, except that this shall not operate to make

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73 STAT. 394.

the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage released under this paragraph shall be credited to the State in determining future allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act (7 U.S.C. 1344(m)).^b

Applicability.

68 Stat. 4.

Approved August 18, 1959.

